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The following consists of two parts: unedited transcripts of audio tapes of WOCCU panel on women and credit; and unedited interviews conducted by Alice Lynn Booth, at the request of WOCCU and AID/WID, with WOCCU program panelists in Copenhagen, Denmark, July 1980.
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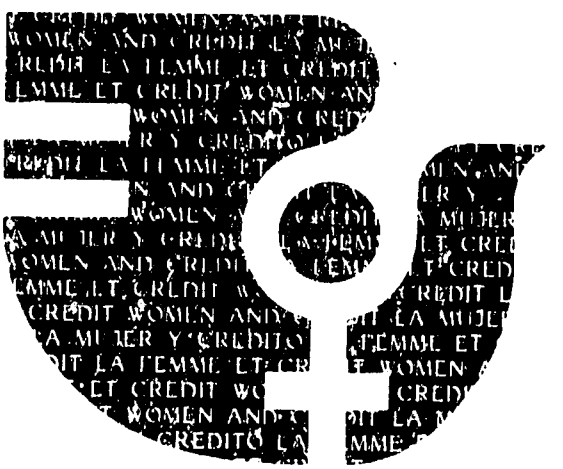
Women Entrepreneurs: Access to Capital and Credit

Cover of program hand-out (provided by Chase)



A program organized by the World Council of Credit Unions for the NGO Mid-Decade Forum, Copenhagen, July 1980.

back page of program hand-out

WHAT IS AN ENTREPRENEUR?

The dictionary defines an entrepreneur as one *"who organizes, operates, and assumes the risk for business ventures; a manager; a producer."*

For a variety of economic and social reasons, in recent years more and more women — from Nigeria to Australia to Norway to Barbados — have been emerging as entrepreneurs.

What do these women have in common? Does the woman from Des Moines, Iowa (U.S.) who bought supplies and started her own day care center have anything to learn from, or share with, the group of Mraru women from the Taita Hills (Kenya) who bought a bus and began a public transport service?

One specific area in which individuals and groups of entrepreneurs have much in common and much to share concerns *access to capital and credit* for their business enterprises.

PURPOSE OF THE PROGRAM

Women starting their own businesses, alone or in groups, face credit-related hurdles that transcend national boundaries:

- where to turn for seed capital
- how to establish a credit record when beginning a new enterprise
- what to use for collateral
- which sources of capital are more appropriate or promising than others
- which programs offer management and technical assistance in addition to loans or grants

The World Plan of Action specifically encourages actions and programs to extend women's range of economic roles and recognizes that "training and access to credit and seed capital" are essential.

The program "Women Entrepreneurs: Access to Capital and Credit" has been organized to facilitate a continuing dialogue and to encourage ongoing appraisal of credit programs affecting women.

Wednesday, July 16, 1980
Session I Agenda • 9:00 a.m. - 10:30 a.m.

LESSONS FROM EXPERIENCE: Case Study Presentations

INTRODUCTION

Diana Opondo
Businesswoman and consultant
Africa Co-operative Savings and Credit Association (ACOSCA)
Kenya

CASE STUDIES

Lilia Oblepias-Ramos
Executive Director
Manila Community Services, Ind.
The Philippines

Jennifer Sheffield
President
The Lineagraph Corporation
The United States

Dagmar Andreasen
President
Rynkeby Mosteri
Denmark

Honee Chun
President
L'onee Incorporated
Korea/The United States

Ines Gomez Lizarralde
Executive Director
Office of Interinstitutional Cooperation
Colombia

AUDIENCE QUESTIONS

Wednesday, July 16, 1980
Session II Agenda • 10:30 a.m. - 12:15 p.m.

FORMAL & INFORMAL SOURCES OF CREDIT: Panel Discussion

TRADITIONAL SOURCES FOR WOMEN

Theresa Chung-Min Kim (Korea)
Asian Confederation of Credit Unions (ACCU)

Diana Opondo (Kenya)
Africa Co-operative Savings and Credit Association (ACOSCA)

FINANCIAL INSTITUTIONS

Leonidas Paez de Virgili (Paraguay)
Central Cooperativa Nacional de Ahorro y Credito del Paraguay (CREDICOOP)

Claudia Marshall (United States)
The Chase Manhattan Bank, N.A.

SPECIAL PROGRAMS FOR WOMEN

Beatriz Harretche (United States/Argentina)
The Inter-American Development Bank

A LOOK TO THE FUTURE

Michaela Walsh (United States)
Women's World Banking

Audience Questions

Barbara Reno, Panel Moderator
World Council of Credit Unions

Women Entrepreneurs: Access to Capital and Credit

A program organized by the World Council of Credit Unions for the NGO Mid-Decade Forum, Copenhagen, July 1980.

PROGRAM PARTICIPANTS

KENYA	Diana OPONDO	Diana Opondo has sixteen years experience in cooperative and credit union education and training. An educator who is a qualified primary and secondary school teacher, Diana Opondo most recently was affiliated with the International Cooperative Alliance (ICA) as education officer and then project officer for women's programs. Prior to her work with ICA, Opondo worked specifically with ACOSCA (the pan African credit union organization) in the promotion and organization of savings and credit societies (credit unions) in Kenya. She has conducted field studies in several east and central African countries and has participated in numerous conferences and meetings in Africa, Europe and the United States. Most recently, Ms. Opondo has become a business woman, operating her 200-acre sugar cane farm outside the western part of Kenya. She employs ten workers and produces sugar cane mostly for domestic consumption.
PHILIPPINES	Lilia OBLEPIAS-RAMOS	Lilia Oblepias-Ramos, Executive Director of the Manila Community Services, Inc. has many years experience in designing and implementing social development projects especially skills training and entrepreneurship. With degrees in industrial relations and social work, Ms. Ramos has brought a community-based orientation to the task of training out of school youth and unemployed adults in practical skills for jobs or self-employment. Under her leadership, MCSI conducts entrepreneurial skills training programs for its clients. One of her publications is entitled Training and Developing Small Business Entrepreneurs: The MCSI Experience. A consultant and member of the Board of Consultants, National Manpower and Youth Council, Ms. Ramos has travelled most of the world to participate in conferences and as the recipient of grants to further train and study employment development programs.
UNITED STATES	Jennifer SHEFFIELD	In 1974 when the oil embargo increased demand for drafting services from Texas oil companies, Jennifer Sheffield, president of the Texas-based Lineagraph Corporation, started her own firm at the age of 25. Trained as a draftsman for geotechnical projects, Ms. Sheffield left a job with an engineering firm and started her own

business as she puts it "out of total ignorance." Several years later, recognizing the shortage of skilled technicians in drafting and graphics, she formed Lineagraph School Corporation which provides training classes and designs and implements training programs for other companies. Named Small Business Person of the Year 1979 by the Small Business Administration, Houston District, Sheffield this year was elected delegate to the White House Conference on Small Business and worked with the White House Task Force on Youth Employment. She recently spoke to the first national conference of the Association of Women Executives of Canada on "Women Entrepreneurs: New Behavioral Roles."

DENMARK — Dagmar ANDREASEN

Dagmar Andreasen is the owner and managing director of Rynkeby Mosteri, a long-established factory known primarily for its production of apple juice and other fruit products. As owner of the business started by her mother in 1934, Dagmar Andreasen took over the business in 1952. Her company has grown from a $20,000 business to $18 million annual sales. At the beginning, she and another women handled everything from "pressing the apples and keeping the books, to selling the juice on Saturdays." Today she employs 150 people. She is looking ahead to expanding to an export market, and has recently moved into new products including jams, fruit compotes and fruit for yogurts. Not only enterprising, Ms. Angreasen has had a lengthy political career. She began with "Women For Peace" at a time when disarmament was a "hopeless" topic. "I've always been frank about my ideas," she says, "even when I was not a good party soldier." In fact, she was elected to Parliament from 1968-1975, a member of a Minority Party similar to Britain's Liberal Party. She fought vigorously for better conditions for factory workers. In 1975, frustrated with the political arena, she left political life and decided to devote herself full-time to her business.

KOREA/ UNITED STATES — Honee CHUN

The founder and president of L'onee Corporation, Honee Chun owns and operates her own firm of fine silk ready-to-wear and sweaters. She is an accomplished designer whose style and creativity have been noted in leading trade publications. Since starting her firm in 1977, Ms. Chun's sales have increased to almost $1 million and are expected to climb to $5 million by 1983. The daughter of well-known actors of the traditional Korean stage and screen, Ms. Chun pursued a successful career as a television actress in Korea and then studied acting in Los Angeles and New York. In 1974, Ms. Chun was asked to promote the Korean Silk industry with the Korean Trade Promotion Center. She later accepted a vice president's post with House of Silk. As president of L'onee, Ms. Chun personally designs, arranges, manufactures and distributes her line throughout the

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U.S., Canada and select Western European countries. She is contributing to the Korean industrial sector's development by continuously producing high quality merchandise.

:OREA	Theresa Chung-Min KIM	After serving ten years on the Board of Directors, Theresa Kim is now the Rural Development Vice Chair of the National Credit Union Federation of Korea (NACUFOK). She is also President of the Hallim Pig Producers Cooperative, Cheju Island, Korea. Trained with a bachelor of science in chemistry, Ms. Kim has 16 years rural community development experience that includes service as an extension (field) worker, head accountant and board member of the Isidore Development Association; and 13 years at the local credit union level. Ms. Kim is the recipient of several awards for her work in women's education, expansion of women s rights and community development.
ARAGUAY	Leonidas PAEZ DE VIRGILI	Senator Leonidas Paez de Virgili, who is currently serving her second term in the National Senate of Paraguay, was first elected Senator in 1973. She is the founder and president of CREDICOOP, the Paraguayan credit union federation, as well as an educator and coordinator of women's artisans projects. Senator Paez de Virgili is on the Executive Committee and Board of Directors of Confederacion Latinoamericana de Cooperativas de Ahorro y Credito (COLAC), the regional credit union organization for Latin America. Senator Paez de Virgili has also been a member of the National Assembly of her country and the National Constitutional Convention. She has participated at numerous international conferences including the first international forum for women on population and development at the United Nations in New York in 1974, and the Congress of Latin American Women on Population and Development in Washington in 1975. She received the Bi-Centennial Medal of the United States for her work in the rural sector. She has worked for the organization and promotion of rural women, and has organized women artisans under a project funded by the Paraguayan and U.S. governments.
NITED STATES	Claudia MARSHALL	Claudia Marshall, Vice President and Director of Marketing at The Chase Manhattan Bank, New York, is responsible for marketing activities to correspondent banks and other institutions globally. In addition, Ms. Marshall manages the Seminar for International Bankers which offers programs on credit and finance to bankers from around the world. She has also worked extensively with credit unions in the United States. A previous employee with IBM Corporation, Ms. Marshall taught communications at Michigan State University and holds a masters degree in Business and a bachelors degree in Communications.

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Active in business forums dealing with corporate social issues, particularly the expanding roles of women around the world, Ms. Marshall is listed in the 1980 edition of Who's Who in American Women.

ARGENTINA UNITED STATES	Beatrice HARRETCHE	Beatriz Harretche has been deputy manager of the Technical Co-operation Sub-Department of the Inter-American Development Bank (IDB) in Washington, D.C. since April, 1980. For 13 years, she served as cheif of the Bank's Technical Assistance Division, and in this capacity, was responsible for the Program for Financing of Small Projects created in 1978. A native of Argentina, Ms. Harretche joined IDB in 1964 as a research assistant. Previously she was assistant to the director of cultural affairs at the Argentine Embassy in the U.S., and has been a mathematics and physics professor at several leading educational institutions in Argentina, including the Escuela Nacional de Comercio para Mujeres. Ms. Harretche has presented papers on the problems of advanced education and economic and social development in Latin America at numerous international meetings. She was recently elected a Member of the Governing Council of the Society for International Development. With other bank officials she wrote the book "Una Decada de Lucha por America Latina," published by the Fondo de Cultura Economica in Mexico in 1970, and has collaborated in the preparation of numerous studies and articles.
UNITED STATES	Michaela WALSH	Michaela Walsh, interim Executive Director of Women's World Banking, was an early organizer and co-founder of the organization established primarily for the purpose of providing a mechanism for linking entrepreneurial women with financial, technical and managerial resources. On leave from the Rockefeller Brothers Fund where she has small projects, and science and technology program responsibilities, she just completed a study, "Assessment of Technology for Local Development," for the U.S. Congress. With experience that includes stock brokerage, advertising, liaison and administration, Ms. Walsh serves on numerous boards and committees of associations and voluntary organizations, including: Artisans Cooperative, Inc., Advisory Committee on Voluntary Foreign Aid; Task Force on Appropriate Technology; and Financial Women's Association of New York.

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PANEL PRESENTATION: WOMEN ENTREPRENEURS: ACCESS TO CAPITAL AND CREDIT
NGO Forum, Copenhagen, Denmark, July 16, 1980

Session I -- LESSONS FROM EXPERIENCE: Case Study Presentations

RENO We're going to go ahead and get started but we do know there will be people coming in and out. So we will get started. On behalf of the World Council of Credit Unions, I'd like to welcome you to our program. The name of our program is "Women Entrepreneurs: Access to Capital and Credit." We have organized this program to look at a couple of things. We want to talk a little bit about entrepreneurs--an emerging breed in some respects; but entrepreneurs have been around for a long, long time, but now they're- The dictionary defines an entrepreneur as someone who "organizes, operates and assumes the risk for a business venture. ~~and~~ We are looking at entrepreneurs who are individuals starting their own businesses as well as groups of entrepreneurs undertaking a variety of income-generating activities and projects primarily in developing countries. ~~There,~~ We think there may be lessons to be learned, that there are lots of common problems, lots of common answers that we can look at. And we want to focus here specifically on the capital and credit aspects. During part one of this program we will have our case studies; each of the speakers will make brief presentations, at the end of which we'd love to have your questions. Because part of the reason for this program is to begin a dialogue and we want to have some answers from you as well as questions. So, you have your programs and biographies in front of you, so I'll begin with Diana Opondo, from Nairobi, Kenya, representing the Africa Co-operative Savings and Credit Association (ACOSCA).

Applause

OPONDO Thank you, Barbara. Ladies and Gentlemen. I would like to make my presentation very brief. It is about a group of women who started their own business out of a real need. This group is an informal group, it is not a cooperative but is working mostly on a cooperative basis. I am mentioning this because I've worked with cooperatives for several years and my interest has been the integration of women in cooperatives so I've been involved in

the training programs for women in cooperatives. But this group that I'm talking about this morning by coincidence has been mentioned in this little pamphlet at the back - the Mraru women's group. In Kenya, since independence women started working hard on self-help projects trying to help themselves, trying to organize income generating activities, trying to work in a group so that they can improve their lot. So, in 1970 this group which is located in the coastal part of Kenya had of the other efforts by women in the country who are working together trying to improve their houses by collecting money, and buying iron roofs putting on top of their houses instead of the grass thatched houses, so with them they wanted to find something that would really be a need for the women in that part of the country. Because of this village where they lived in Mraru it's a dry part of Kenya where the rainfall is not very much and they had problems with transportation because they had to depend on their trade to be able to buy food because they couldn't produce enough every year if they didn't have enough rain to grow the food crop. So they had to depend on transport to go their nearest shopping center, to sell the goats they were raising or to sell _____ which is a dry area crop or to sell firewood which they would collect or charcoal which they would produce to go out and get money to buy food. And this women experienced a lot of difficulty because they lived in a village in the middle of two trading centers. Now their only transport means that used to come would come full from one end reaching their area it would just pass leave them there with their goods and go on to the trading center on the other side, come back again full, some of them would not even go to the market on that day, and in very dry seasons, they even depended on getting their water from these trading centers to go by transport to buy some water, come and use it at home, because otherwise they use to go up to the hills

which are nearer them but was a bit of a distance to walk with water on your head and this was a bit difficult. When I visited this group they even told me that one time one of their members, who was pregnant, went to fetch water and because of the distance and the heat had to deliver by the water hole and the other women had to help her bringing the water and the baby back home. Now, they had these problems which necessitated them coming together to find a way of helping themselves. And the first one they thought was to get transport system that would help alleviate their problems in transportation. Even sometimes when they had sick children because hospitals were far they had this problem, children falling sick and they could not be able to take them to hospital for treatment. So, they started a group that was producing some handicraft like embrodiery, baskets, but they felt probably that was not going to be enough. So they started to raise money and buy a bus. So they started from the proceeds of the baskets, and things that they produced, they used to come once every month and collect money and their collection was quite small because as I have mentioned they came from an area that was really not agriculturally productive and many of our people in Kenya depend on agriculture especially from the rural area to get money for their own consumption at home. So this group of women who started for about a number of 50 worked very hard every month meeting, collecting money until the number rose to about 200 women and then after about three years they collected about $27,000 Kenya shillings (which you have to divide by 7 to get the dollars) and they felt that after collecting that money they would go out and look for a bus to buy. So they went to one of the big centers in Kenya. They got a bus which was ready and when they told their story to a group, to the manager of the place, he was so impressed that he told him that if you bring the money the $27,000 shillings that you have collected after all those

years, I will arrange credit for you and you can buy a bus which is ready here. And he gave them a short period to do this. But, You see when they ~~started~~ ~~only~~ started saving the money they were putting it in a post office savings account and according to the regulations of the post office savings account you can't withdraw a like sum of money without giving notice. So, when they gave the notice and the notice was for a period of two weeks, and they got the registration as a formal a group, when they went back to the company the bus was already sold to somebody else. So they were so disappointed ~~and~~, they had to start afresh they looked for another bus which they found and on this occasion they had already opened a bank account in a commercial bank so that they can easily write a check without any problem. So they bus, the new bus company agreed to sell them a bus, but this time it was much expensive than the first one they got, but they didn't give up, they said we have to try and get this bus even if it is difficult and if it means collecting for more periods, we will have to buy it. But fortunately, they didn't have to wait very long because just? before started building a bus for them and gave them a period in which to work and within this period they were able to get the deposit money and bring to the company to buy the bus. Buy, finally when they went with the money the company told them they still needed another about $10,000 shillings for registration and other things to put the bus on the road. So they were stuck again. But they said they were not going to give up so they went to the district commissioner the administrative head in their area, who gave them a loan of half of that and they also got a women provision community development officer who was so very sympathic to their case, who took them to a commercial bank where they borrowed the remainder, they got the money and happily they went to the bus company, the bus was ready with their name written on it, they bought the bus and the bus started operating. Now the first operation of the bus went

OPONDO very well, they worked hard they didn't want to employ anybody, they didn't want to employ a man to work there, anybody that they didn't trust. So, the only man that was working in the bus was the driver. The women were the bus conductors and the ones who were carrying the load unto the bus, it helped because that the was the first bus on that route, and they made very good profit so after about two years they cleared all the loans they borrowed from the various places and they were able to save some money which they distributed to the members as bonuses and also were able to build a shop in that trading center where they lived so this plot was given to them by the county counsellor who were very pleased with their effort. Now that building they wanted it to be there as a lasting symbol of their hard work because they had a lot of problems in getting the money to buy the bus because they knew after awhile the bus would not be on the road and that didn't take very long because the bus worked hard after awhile it started developing problems because it was old so they wanted to buy a new bus. So the problem again of credit and getting money arose because this was just/about two years ago, cost of things had gone up, the bus was costing three times the cost of the first bus and they had to run around again, collect money by bringing 50¢ every month from each member, some members maybe 5 shillings, to build up again another deposit for a new bus. But this time, because they had been used to getting transport they didn't have a bus on the road because it was too old the police felt it was not safe to have it on the road so they took it back to the company that sold them the first bus as a deposit for a second bus. So the company built a bus for them in very short time through the experience they had in the first years so when the bus was ready after about six months, the women didn't have enough deposit again so they started looking around for money, and this time the company was ready to give them the loan but they had to fulfill they part by producing the deposit. They lacked about

OPONDO

$20,000 shillings all the members came up together and collected the money, it wasn't enough. Then one of their members who through the business they started after having the first bus was more successful, loaned the group about $16,000 shillings and they went and bought the second bus. But this last time when the second bus was running it had several problems, because the loan was too big, so all their monthly collection was going on to paying the bus company. The lady member who lent them the money is also to be paid. So they continued to meet every month to bring their contribution so that they can repay that loan. But they are now happy because they are going on with their business, they are able to transport their produce back and forth from the market although because of the recent drought they have been hit by lack of food and various things so they spend a lot of their own money on this project of trying to run the bus. The bus is essential because of the business they have in that area and the market and also they opened the shop which was also being serviced by the bus, buy transporting the goods for a shop and also transporting the members' produce and sometimes when it was dry even the water they used to bring from the trading center was also being carried by this bus. So, they still have this problem of managing their business and also of finding a better that would help them probably run this business to a level where they would easily liquidate the loans they have and then work for profit so that they can improve the life in their homes through the proceeds of the bus. But this group, I talked to them, they say they are not going to give up. Though they have run against a lot of problems in getting credit and getting public support from here and there they need encouraging because they are not going to give up they want to try they have been a good example because their fame has gone all over the world in many countries so they don't want to let the women down in that area of Kenya by saying that they have been defeated. And they hope that through these efforts and encouragement from friends they will continue and not fail. Groups like these are many in Kenya

OPONDO but the bus one is the first one it is an area that not many women have ventured into and we hope that through their efforts other women probably in other developing countries would have this spirit of not giving up when they meet this problem.

RENO Diana, thank you very much. Now's let's hear from an individual entrepreneur--Jennifer Sheffield, who is president of the Lineagraph Corporation and the Lineagraph School Corporation, and she'll explain what they are. Jennifer.

SHEFFIELD Good morning. I'm from Houston, Texas. This is a part of the United States although many people who live in Texas don't think so. They tend to be a bit on the independen t side. One of the exciting things that Houston is known for is of course the petroleum industry. Six years ago I was a draftsperson for a major oil company , both Gulf Oil and City Service Oil Company. My experience had been primarily in the exploration aspect of that industry. Six years ago our city along with the rest of the world became very conscious of the energy problem. Now it affected many people in many different ways but the story that I will tell you is how it affected me. Because that's how my business got started.

I began to be asked regularly day and night to work extra in the evenings, on the weekends, so one of my girlfriends who was also a drafts person and I decided that we might start a business. Now we have absolutely no experience in business and we did have good technical skills so we began a process of how to start a business. After about a year we were able to get some financing, we had no collateral and a woman who was much older than us, who did happen to have some collateral and was willing to go in with us in a corporation and finance a loan ~~or~~, helped us, became a stockholder in the corporation and we borrowed $10,000 to begin the company. Now, ~~Lindgraph~~ Lineagraph Corporation, although that was not the name of it at the time, is a service company. We provide drafting, design

SHEFFIELD and graphic presentation for the petroleum industry, both in exploration, development, refining and the engineering aspects of the energy business. Most of our clients are in Houston, although many of the clients that we work for do projects all over the world and so much of our work is international. From the beginning one of our first problems of course was finding people, because that is basically what we sell is expertise of people. There are many many jobs in this field and not very many people who have the experience. From the beginning ~~of~~ we operated the business for about 8 months. After that there was what began to happen was that my partner and myself both had very different ideas about what we wanted and what happened for me was in the beginning I had no idea what I was doing and I jumped off into something that was I would say just a lark and it was a very frightening thing for me to do. But after those first eight months I began to very much enjoy what I was doing, be very excited about it and at that time my partner and I decided to dissolve the corporation and I began anew with the new corporation and that is when ~~Lineograph~~ Lineagraph Corporation was formed. The problem with this was that we also lost our stockholder who was our collateral stockholder at the time, so we had to have another way of financing the business. At this time after much soulsearching I approached one of my best friends who also is my father, and said you know can you help me. He's not the type of father that just sort of gives away money lightly, I can tell you that, and so after awhile he decided to do that and I again borrowed ~~$2,000~~ $10,000 over a period of three years. As the business grew and we were able to pay off our loan we got to a point where as in all growing businesses you need to have continuing capital to expand. Again, because we were a service business with no real collateral, we don't have a lot of equipment, machinery, what we sell is people, it was very difficult to go ~~to~~ through the traditional forms of financing and I mean banks, to ask for money. So at that point I approached the SBA. Now, some of you may not be familiar with the SBA, its the Small Business Administration,

HEFFIELD

it is ~~the~~ a part of an agency of the Federal government that assists small businesses in ~~the~~ a variety of ways one of which is lending money. After about six months we received a loan from the SBA. I had requested $60,000, ~~20~~ $20,000 of which was for ~~Linograph~~ Lineagraph Corporation, ~~40~~ $40,000 of which was for ~~Linograph~~ Lineagraph School Corporation. This was a venture capital loan to begin a new company. ~~Linograph~~ Lineagraph School Corporation began as ~~the~~ a result of one of the problems that we experienced in business and that was the lack of trained personnel. So, because we were not able to find the trained personnel we decided that we would make them. Unfortunately after 3 1/2 years of research and development on this project and developing programs that are usable we still are having great difficulty in financing this project. But we continued on the loan that we actually got from the SBA was $17,000 in stead of the $60,000 and what it did was just about pay for all of the growth that we had experienced during the six months that it took to get the loan. So we're kind of right back where we started again. From that point last year, well actually it was two years ago, we moved into a new building that was kind of on the outskirts of downtown area and my crew of people which numbered about 10 at that time began to assist me in remodeling this old building. We were able to get space very cheaply and spent our days working on maps and charts and ~~drafts~~ graphs and our evenings working on putting up walls and knocking down walls and painting and cleaning up. And finally, after a period of time we ~~[illegible]~~ were able to get our space ready. After this the building ~~began~~ became available for sale and I really wanted to buy the bulding although I couldn't figure out a way to do it and finally approached a friend of mine who is in the real estate business in Houston said there is a building that I want to buy now how can I go about doing this? The building is worth about ½ million dollars at this time and certainly a company of our size could not afford to go in and ask for a mortgage for that kind of building. However, this person because of the faith he had in me was willing to carry the mortgage

so ~~when Lineagraph~~ on the building Lineagraph Corp was able to purchase the building. At the same time we also acquired this firm and another person who is in the firm as stockholders. They invested in the company and that is the way we began to get some financing there. Again, because of the growth of the company, and we've grown from 40% to 75% each year in the past six years, the money that we used as working capital didnt' last very long. So once again this spring found me looking for money and it's sort of how I got to Copenhagen. About two months ago, Barbara Reno here, called me one day and she said I would like for you to come and speak in Copenhagen and tell us how you financed your business. And I said well, I sure hope I can have a good ending to the story, because if we don't do something quick, we may go bankrupt. It's amazing to have ~~some~~ so much business since the first of the year, our business has tripled, our sales have tripled, and we still as yet have not been able to get any long-term or short-term financing. However, as the result of this trip and many of the wonderful contacts I have made along the way, we are looking at some other methods of getting financing. One of the reasons it's so difficult is because we are a service company and becasue the school is doing something that is very very unique, certainly in the United States. The type of programs that we are developing are not offered anywhere in the United States, and Houston is certainly a viable place for these types of programs. They are technical skills programs, entry level jobs, ~~but~~ that we can take young people and also very many women who are coming in entry level jobs coming into the work force for the first time or making career changes. They are very good positions for these women and for these young people. In the financing aspects of my business there have been several problems. The most difficult of those to overcome was first of all, I had no education in this field. I graduated from high school, I have no university education, I was married when I was 15 and I have two children to support, all of that made it very difficult to continue in any kind of education, and certainly the finance and numbers was

not my strong point in the beginning. So, one of the things that has been a problem is believing in myself. Finding an applicable method ~~to~~ both to finance the business and also beginning to trust my capabilities to handle the money properly. The things that came out of this as a result of the doubt ~~of~~ in my capabilities was one, in getting an education to better able to do this. Since I really can't go back to school I have looked around and found people within other organizations who one way or the other have helped me begin and continue an intensive educational program almost night and day ~~on~~ in how to do this. Secondly, is finding the correct personnel for my organization. It's obvious we now have 30 persons in ~~Linograph~~ Lineagraph Corp and about 7 persons in ~~Linograph~~ Lineagraph School Corp. that I can't do all of the things that I did before. One of the areas that is the most difficult is the financial aspect of it, finding people who one understand the kind of business that we're in and certainly how much it is affected by what is going on in our world and in the energy business. The third problem that I have experienced in learning to deal with the financial aspect of it is the fear of failure. About three months ago, four months ago, I went to the bank and was able to get a short term accounts receivable loan, we used our receivables to finance the business. Well it was set up and I thought that I understood how that might operate and ~~one~~ when it came to the point that the money was collected to pay off the loan I went to the bank and said we have the money to pay off the loan, also next week we have a payroll that must be met, so the advice the bank gave me was really not very helpful in fact it was very distructive for where we were so we had to come up with some other alternatives. The things that I would like to see for myself in the future and for other women is that I along with other women not only from the U.S., from other countries, and certainly there are some wonderful ones represented here, will begin to take the responsibility for the money, for the wealth that we have and take the opportunity

SHEFFIELD to make a difference in how we utilize that money not only in business but to improve ourselves and others. Thank you.

Applause.

RENO Thank you so much Jennifer. Now we are going to have to keep moving along. For those of you who have come in late we are in session one and we are having case study presentations. Our next speaker is Dagmar Andreasen and I'm going to let her tell you the name of her company because my Danish is terrible ~~and~~ but I will say that she is from here in Denmark and if you will, Dagmar, thank you.

ANDREASEN Good morning. The firm I come from doesn't differ very much from any other firm in the same line in Denmark. It's name is Rynkeby Mosteri. and it is manufacturing fruits. It started with apples. later on took up orange~~s juice~~, cherries, black currents and so on and so forth. It is situated on the island of Funen and when I say it's not ~~frar~~ far from the town where Hans Anderson was ~~first~~ born then you might know a little bit about where it is. When I tell the story it is more to try to give you an example how a business can be started by a women and grow up and be a normal big business. Today we are a 150 people employed and our yearly turnover is about $18,000,000 U.S. dollars. My mother started the business in 34. She had a big ~~apple~~ garden and lots of apples were laying under the trees and she wanted to make juice for her own household. But ~~when~~ then the neighbors came and said wouldn't you mind to make juice out of our apples as well then we will pay you for the bottles by the bottle. ~~Then~~ and she started doing it in the kitchen. Later on she had to expand and today it is a modern factory. I took over the business in 52 but today it is a limited company, I'm still a shareholder so you could say I'm the owner, but it would be more correctly to say that I am the one responsible for the debts because we have a very small capital of our own. By formality I am the managing director, but long ago I have given

the influence, how do you say, delegated to younger people in the organization and we have a group of leaders where I have a co-director, we call it in Denmark a Crown Prince; he is going to take over when I get a stone in my head, and we have a technician, we have an accountant and we have a sales director. The group of us are together running the business and making the policy. But when somebody asked me last year to write down the policy and the goals of the firm I set down half a day to do it and found out it had not changed since my mother started in 34. But if you ask if the company and the firm is different from others I must say it doesn't differ very much, not in the labor force, not in the wages, and I don't say I think very much in the way it is run even we like to believe that we are more open to our employees than normal, we'll tell them about competition, about profit, about losses, about new investments and we like them to tell us what they think about it, we like to have their opinions. And if we should try to explain the work we produce ready to drink juices, especiallyof apples and oranges, grapefruit and also some mixed juices. We produce some fruit compotes, the Danish national dish ?, have you heard about it, we don't produce cream though, and we make fruit mixtures from, fruit compotes to mix in yogurt. But Just now we have started up a very interesting project, as you may know in many underdeveloped countries you will find a lack of protein supply. Milk or meat are the normal sources of protein in the rich countries but it is a very expensive way of making protein, the soybean is a cheaper way of producing it. But the soybeans are not too attractive in the taste, it can have a very bitter taste, but we have succeeded in Rynkeby to make a ?polized soy protein which is tasteless. And this soy protein you can mix with fruit juices and give the combined nutrition value of the milk and the fruit juices. And we think it is going to be a very interesting product for school feeding programs in the oil producing countries where they have money enough but still the population is not too well fit. And it has

ANDREASEN certain opportunities for milk because it can be pasteurized and it can be distributed without cooling facilities. And also hospital sectors is very interested in it. Well, it is out on the roof still, but we think it is going to be a very promising project and I think it is a very interesting thing to work with even if it's not a fruit because it has something to do with nutrition and to try to give people the things so much near the natural products as possible. The firm has its own fleet of lorries, (trucks) we deliver our products directly to the shops and supermarkets and we deliver directly to hospitals and other big public institutions. And the half, right? products for dairies we also deliver and we have of course a sales department and 10 salesmen in the field and we have a staff at home to plan activities. But the most interesting thing is how my mother started it. It was in 34 when we had the depression and where the apple crop was big. And she thought it was wrong that the apples should be wasted. And when she was prepared to take in the neighbor's apples it was also my sister and I was not very satisfied for it made an awful mess in the kitchen, and we said why ever are we going to work with the neighbor's apples. Because, she said, I'm afraid she won't do and then the apples were rotten and there are some people who would like to get the job and she would take in an unemployed women and pay her for processing it. And my mother didn't need the money because my father could provide for the family and she had a big household but she was very very eager to try to use these apples and that they should not be wasted. And in those days it was very normal that lots of fruit would be wasted when there was a big crop because you could not keep them, but today that is never the case in Denmark, or nearly never, thanks to interfreight. If there is a surplus of production, we'll take them in and process them and freeze them and process them later on so that they won't be spoiled. When I took it, I must say my mother didn't need much money in the beginning, because Elsie started in the kitchen and as my father had the machine work and my brothers would make her the machineries they didn't have to pay for that and she didnt' but the apples because the neighbors brought the apples in and took

ANDREASEN back the Juice and paid her for the work and that of course gave her some money which she all invested in the factor again. When she made the first building I think she might have had a loan I don't remember that, but then she would have a mortgage or go to the bank and of course it has help for her that a my father was a well-known person and ~~who~~ he was in the area and he was judical? responsible for the debts my mother made. The neighbors pitied him because they thought he had to pay too much for that wife for that business she was starting but really he never thinked that not very long anyhow. When I took over in 31 my mother wanted to retire she was nearly 70 at that time; I was 31 and had a broken marriage and I had three kids and I had a chance now to show that what I have always claimed was right, that a woman can do the same job as a man. ~~None~~ And as a ~~of the~~ man normally at that time could provide for a family should be easy for a wife to provide for herself and three kids. So I said just go ahead. I had very little to lose and everything to win. At that time the price for the factory was about $35,000 U.S. dollars but there were some mortgage, ~~or~~ some loans for the half of the price and I could take that over. But ~~when~~ then I needed still ~~about~~ a little more than $17,000. I had saved some money on my own before my marriage. I had about $5,000 and my parents gave me $4,000 in inheritance advance and the rest $9,000 I should pay my parents as an anuity. ~~I said you would~~ They should have a yearly some of money as long as they lived. Afterwards I found it was favorable conditions but at that time not everybody thought I would make it. Well, I had made up the conditions with my parents, I went to the local lawyer and he should make the contracts. And months after months there came no reply. And I lost patience and went to another lawyer who was unscrupulous enough to set up the contract becasue I found out some years later his attorney told me that the lawyer didn't want to make up the contract because he was sure I would ruin myparents. I couldn't run the

business and then I couldn't pay them their anuity. The local bank didn't trust me either. I think a divorced women with three kids is no good paper, but I found a credit union which helped me. After a few years I wanted to expand more than I could for the money I earned in the factory. And the first loan I got was what we in Denmark call a marshall loan. I don't know if all of you are familiar with the situation after the last world war but the states the U.S. states gave us some loans invested in Europe to build up our industry and I got a loan on about $11,000 U.S.dollars. It was favorable conditions I haven't, I don't remember any longer, how favorable they were, but they wer better than normal bank loans. Then I considered the first big expansion, I wanted to discuss it with my accountants and I thought that he would try to compare the amount I wanted to invest with my net earnings to see if I could pay back. But he didn't. Don't forget this was 25 years ago, but he sat back in his chair and he said, no democratic government in Europe will ever dare to lower the wages and I am sure that inflation will go up. So if your borrow adollar today, after a few years you will feel your pay back only 35¢ and a fewer year later you can use a rubber. Now I considered what he said very much and I went on and since I have invested everything I could buy. I have use for that. And I have needed capital for buildings, for machineries, for stock of goods, a fruit processing company is a need a lot of capital because the fruit trees will only carry the crop once a year and you must be able to deliver all the year and then you must have a big stock. —?— (tape ends) as long as we can get them it's all right. What I have felt is that all this is not different from the way a man has run the business and my experience is that in the very beginning they don't trust a woman and later on when she proves she is able to do it, they trust her more than a man. I felt in the beginning I didn't get the confidence I ought to but afterwards more than I deserved. But if I should say anything about my experience it is if you have to start a business from the very beginning

ANDREASEN

you have to work hard and you have to save money the whole time because you must invest and invest. And a woman has to act more tough sometimes than she feels is natural but she can easily cheat _____ she can do it when she has to. It is difficult ~~perhaps more~~ to have small kids and run a business, so get your kids first, let them be four or five years before you start and it has been very great fun for me and I think I would do it again and I can only encourage you if you see a task which ~~to~~ _____ ~~it~~ should be done and if you feel like doing it, give it a try. Business is always risky so you might lose money but women has no prestige to lose and in that way we are different from men. Applause.

RENO Thank you so much. Our next speaker is Honee Chun, the president and founder of L'onee Incorported. Honee..

CHUN Hi. I'm kind of nervous, speaking especially in English about my company. I guess I'm here to speak because I'm Korean ~~and~~ who came to New York and doing my own business. My company name is L'onee Incorporated and its located in New York City. And ~~many~~ mainly what I do is I produce women's wear, I'm in fashion business. What my specialty is that I'm making is 100% silk women's dresses and separates and then this year we went into produce hand knit women's wool sweaters. I started my company in 1977 August and now this year we projected to do a volume of a million dollars and I own 100% of my company and I set up the policy and I manage my company. And what I do for my company which ~~would~~ will be most important thing in my business is I design for my company. So I'm the one person operating ~~my~~ a whole company. and I have five employees in my company and two of them are women, one is saleslady and one is bookkeeper. We selling ~~to~~ our product to all of the United States and Canada. Many in Canada they buy my style and they open a letter credit directly to Korea and buy them and they give them give me the commission for the designing fee. We ~~many the~~ mainly dealing with fine department

CHUN

stores all over the country and specialty stores because my merchandise are very high priced merchandise. What I'm wearing is one of my dress, which I consider is very fine workmanship and it's very pretty and that's the main reason I guess I'm in business. I started my business the reason is that I was promoting a silk industries from Korea with my government, the Korean government, and I sold the silk fabric to designers the famous designers in New York City then I went into produce some of those silk garments for those designers for the experience I understood about silk markets in the United States and I learned to design. So that's the reason that I went into producing a silk garment mainly. And then I worked I'm not trained to become a businesswoman at all but I saw how other people doing a business especially marketing and designing what I felt was that I could do it myself too. I want to have my own company so that I went to see a friend of mine who is very successful buisinessman in New York and I told him that I want open my own business and this is my experience and I got to have money and I asked him to help me and he decided to help me and loaned me the $15,000 around three years ago and then he introduced me to his lawyer and he asked his accountant I mean both of them are very professional people in their field and they have been basic support system in my business to do what I'm into there right now and actually they become my lawyer and my accountant today. After I got the money to open my company what I've done is that I went to Korea at that time I know all the silk manufacturers in Korea so I went to one of the manufacturers told him what I want to do and I told him I know the silk market, I know how to make a beautiful garment, I know I'm going to sell it, so I want him to give me merchandise without paying him a letter of credit and opening a letter of credit. So he looked at me and I told him trust me I'll make it I know I'll make it. So he decided to give me merchandise so I came back to New York and open showroom and it was very small and first time I started myself and I asked

a friend of mine to help me a little bit on a part time basis. I started selling all the merchandise what I found is that people liked my line and they really buying it so that I got the merchandise from my manufacturer, I shipped the goods to the stores and they paid me and I paid them back to my manufacturer in 90 days. And the first year end I shipped merchandise of $300,000 so it was kind of I just jumped in without knowing anything and I did from beginning desinging to selling to shipping to collecting of money to I was all over. I felt very contented after a year that I could do around $600,000 volume of business that is how I continue for two years. After two years I wanted to expand my company and I would look around to see what way to expand my company so that what I got was that I must go into different fabrications to make a big volumes. Silk is very limited fabrication because it is very expensive and you always have to dry cleaning it so that it's hard for me to really go into big volume of it and as a designer and I had a desire to design for dffferent fabrications too so I wanted to produce silk and cotton and wool fabrics and sew sweaters so that I was looked around because I still don't have big capital for this and then I didn't know how to finance it. my Korean manufacturer is only producing silk so I went to this big trading company from Korea. They are third largest trading company from Korea doing around $600 million and I knew what they wanted, they wanted to develop high priced merchandise from Korea and better quality of merchandise. What is happening in Korea is they usually exported very low priced merchandise to the very cheap stores and they know the only way they can continue exporting to other contries is developing a very high price merchandise and quality and fashion items so I told him that this is what I've done so far in two years and this is what I wanted to do. I will develop your high price merchandise I'll guarantee it just give me a chance. And they decided financing me a year ago so that now I'm going into the sweater I already started sweaters and I'm planning on going into the cotton fabric and wool fabric. My goal for the three years for my company will be around $5 million that is what I'm shooting for. So, that is I guess is my experience in my business I look back how I did

CHUN

it. I don't know how I did it. I was, I had opportunity to ~~made~~ meet all this wonderful ladies here and I asked them what makes you to be so successful and all answers were all same which that's what I'm experiencing myself to just go on. If this is what you want, hold on to it just go through the each barrier and just go on. It simple like my life it's just process that's what my experience ~~makes it~~ about my business. Thank you.

Applause

RENO

Thank you, Honee.

Our last speaker in this session is ~~Teresa~~ Theresa, Chung-Min Kim from Cheju Island, Korea and as sonn ~~Teresa~~ Theresa is finished we'll have time for just a few questions. Teresa..

KIM

How are you ladies and gentlemen? It is my great pleasure to talk about cooperative service in the official ~~and~~ UN Mid Decade Forum on women entrepreneurs: ~~after two~~ Access to capital and credit. running concurrently with the world conference of the United Nations Decade for Women being held in now Copenhagen, beautiful city of Denmark. As I have known, this program organized by the world ~~counsel~~ Council of credit unions. I would personally like to express my heartfelt thanks to Mrs. Barbara Reno and Mrs. Jane ~~DeVail~~ DeVoll, who working with the world ~~counsel~~ Council of credit unions and mostly making great effort and being with us at the moment for this important program. and to rest of ~~lot all~~ the people behind on the program ~~prepare it~~ personally. I also express to them. Thank you. I am actually from a small town called Hallim and located in rural area on Cheju Island ~~Our problem~~ a province in most southern part of the Republic of Korea where I was born and my home base grew up. I ~~doing~~ joined credit union movement in 1962 and also involved in rural community development since then. Since then I found out that cooperative movement can be an instrument for social economic development for poor and low income people with one of its functional activities as adult education institute. When I joined credit union movement, seven credit unions

<IM

Just organized in Korea. and in 1964 it expanded to 82 credit unions serving 11,565 members with 158 U.S. dollars of share capital but in 1979 in last year I mean it grew out to 1,457 credit unions serving more than 780,000 members with a total assets of $250,480,000 U.S. As one can see from my brief status on share movement in Korea, cooperative development needed very much for low income people this is all I been believing very strongly. I organized pig producers cooperative last year in November and I was elected as president of the cooperative. First of all the purpose of this cooperative organize is to bring pig raising farmers together in the democratically governed organization to meet mutual leaders to participate in decision making and a self-help approach. To share the problems and goals of the members. Secondly, 15 members belong to the coop. They are relatively small farmers producing duck pigs. I am also one of the members of the coop. They live respectively on the three townships administrative area. One member is one family in the real sense. each member has his private pig houses and raising sows and bulls to bring piglets production to up to around 40 kilometers kilograms per head in live pig waste. Third, the coop has built fattening pig houses with share capital pooled out of members. Next the coops collect the pigs produced by members and put in the coop pig houses and raising up to 80 kilograms per head in live pig waste. This activity helps members to reduce their private facility investment and operating fund. Fifth, the cooperative seller fattens the pigs. This activity protects the members from inadequate decreasing of pig price. Six, feed processing for members this is one of the activities of the coop. This activity secures members to use same good quality of pigs at reasonable price. Seven, members pooling share capital in the coop. Whenever they sell the pigs to the coop in 13? percentage of the sales amount of pigs according to regulations within the scope of the by-laws set by participatory decision making. 8. training program on technical development for pig producing and other necessary activities for members have been doing. 9.

KIM

Collecting of marketing information. This is another activity of the coop for the members. 10. After the coop projects pigs to ? ? ? manufacturing service like the coop company. For Security the members and the encouragement. Second, expenses ? meeting increasing amount of pigs. Third. There is all the activities in wide range we would take in the future picture. But we are facing a problem, most members belong to credit unions, but credit unions solve only part of the need of the members the reasons that members needing more credit are as follows: first, each member invested average $25,000 U.S. dollars for piglet production individually. So $375,000 U.S. dollar invested in total. Second. each member pooled average $33,000 U.S. dollars in the coop as share capital. The share capital amount of the coop is $49,000 U.S. Dollar in total, so this fund invests on coop facilities for raising of pigs, collecting from members, although $424,500 U.S. dollars been invested and members need more credit for pigs of the coop. But credit unions solved only 12% of the total financing of the coop at the moment. This is one of the problems the financing problems we are facing now at the monent. But if anyone could have patience the coop then why don't we reduce the coop business volume. But if in the case the production cost were be to goes up that's why inevitably we need more credit. That is what we are facing at the moment. Finally, I would like to express my own thinking from my experience on the coop. Although I never had an experience in serving with a purely women's group or organizations to ? do that I had been working with men and women, combined groups and organizations because I believe in that they are all human beings. In this way I have been stimulating both men and women directly or in directly to realize that they are equally important as members of society.and able to contribute for econcmic and society problem solving and for any other activities? to towards building a better human society. This is the way that we use all human resources produdively for ourselves. I mean human being. I still believe in this and women can do sometimes better than men. As said, the former speakers all have talked about the same thing. I think the through the women's persistence and devoted effort to

KIM learn and work, work and learn besides taking care of their families life. I think women can do better than men sometimes in certain fields. This is my experience and I kind of philosophy learn from my life with the coop movement especially in the rural areas. Thanks very much.

Applause

Person from Audience Thank you, I don't have a question but I do have some information I'd like to share. I'm Sheryl Swed, I'm from the United States, from the Small Business Administration, I'm representing the women's business enterprise office in the Small Business Administration. I have some information here about a program that I'd like to share and I'd also like to tell you that we have a workshop planned for tomorrow that Ronnie can you help me with its at 12:30, is that right? 12 to 1:30 in Vivencia. We'd all like you to be there. We'd also like to be in touch with any woman who is interested in international trade, we're developing a list, so I'll have these fact sheets available in the back. Thank you.

RENO Question of the speakers. All right if you'd like to stand up a minute, stretch your legs...

....FRENCH QUESTION

Question from Audience My first question is addressed to the representative of Kenya because I run a project and I think that we have problems in common. She said pointed out that women's groups are not yet managed as cooperatives and that these groups have the same problems and just wanted to solve them and she gave us the example of the purchase of the bus. And also of the work the women had to do before they managed to buy that bus. I want to know since its not a cooperative, since its just an ad hoc group you know with the same motives, are there no problems of profitsharing or capital formation in that group? Or do you have members of that group leaving because they are not satisfied for instance and what guarantees

did you have to request in order to carry out your plans? Can I put my second question?

RENO Yes you may.

The lady, myother question is for the lady in Korea for credit union in Korea. She referred to a project run by her cooperative. I would like to know whether for the purchase because to breed pigs they had to buy, she referred to as the pig breeding, I want to know whether you have to take out an insurance because you can lose some of your animals during breeding and in that event what is the guarantee you had to ask for and what is the timespan that you fixed ~~on~~ for refunding on once the credit had run out?

ANSWER

KIM If I understood the question of the lady, the total period of pig raising is rather shorter than big animals. So the period of pig raising is twice a year ~~pig raising is try failure.~~ That's why it isn't the real ~~a~~ problem for the pig raising. Insurance is not a problem. But for the cow and the cattle insurance is very much needed. This is what I know from my experience. Is there an answer did I make?

QUESTION You've given me some clarification ~~characterization of~~ about these needs for insurance for so short a time but in terms of capital how are you going to gather this capital for breeding animals, pigs since you said that as far as the sales go they are organized as each of the cooperative can bring in the animals but as far as the capital goes for the deposit that you haven't said anything to.

ANSWER

KIM Actually, the money comes from three areas for this. Some ~~From~~ part of money they already deposited in the banks or other part of money that they borrowed from the credit unions or somewhere but some members just completely invested by their own money, but some members would borrow the money from outside other places. This is the way we fund, we pool the fund. Is it okay for you?

OPONDO I would like to make a clarification maybe which I didn't because of the short time. In Kenya we have brought different groups operating under different sort of bases. I will take about cooperatives and where women fit in the second part of this session. So my first presentation was not on a group that was not a coop= erative but was working together on more or less a cooperative basis. But the question you have raised about the problems we have faced like the manage- ment, profit sharing, is being taken care of by the fact that this group chooses to work as one of the self-help groups in Kenya and there are usually registered by government of self-help groups. They get help from government. They are taught how to run their business but when it comes to profit sharing especially in this group they really make very much profit a apart from what the services they got from the bus and the little money they had they agreed as a group to invest in putting up the building so probably when the second bus is running when they want to do other things I think they will get assistance and advice from the government officers on how to invest these in a better way. But one problem which they face is of management, they need to be really taught how to keep their books properly which they really haven't really done up to the commercial level they just track on writing down simple income and expenditures everyday. But I suppose this will be necessary when the group expands to run the business in a big way. Thank you.

RENO Thank you. And that does conclude session 1. If you do want to stretch your legs, we want to get started with session two in about three or four mintues. We just want time for the panelists to have to change places. We'll have just a short break.

Session II: FORMAL AND INFORMAL SOURCES OF CREDIT

RENO

We realized inthe discussion of capital and credit that there are number of sources to which individuals or groups turn or look to to provide credit, lines of credit, co-signers on loans, collateral et cetera, and the purpose of this second session is to review what some of these sources are. Some of the sources that we turn to, I'm not saying that we are always successful in getting money from these sources, by the way. What we want to do is look at the kinds of institutions there are and the various policies and programs these institutions have and you will realize also that when we say institutions, we are talking about formal institutions and informal institutions. So that in traditional society from a country it may be the esusu or the tontine; it is very much an institution and ~~it's not~~ we are not saying it has to be in a big building to be an institution~~alized.~~ We are going to try again to move a little quickly. We have our panelists. We are going to begin and talk about a specific experience with a woman who has done a great deal of work with women entrepreneurs and credit programs. Again you have your biographies in front of you, so I'm not going to take our time away from the speakers. But I would like to introduce now Lilia Ramos of the Philippines.

RAMOS

Thank you, Barbara. "She hasn't sold anything all day and none has given her a single ~~promise~~ krone". That's how the well known Danish writer Hans Christian Anderson described the final hours of a young street vendor in his story, the Little Mat Seller. The story gives a clear picture of the marginal existence of most small business and enterpreneurs and the many problems they encounter. There ~~there~~ are a lot of reasons behind these phenomenon. To most of them the universal problem is lack of capital. Due to lack of material~~s~~ collaterals ~~natural~~ they could not avail themselves ~~of~~ the credit schemes offered by banks and other financing institutions. Only a limited number of prospective ~~respected~~ barefoot entrepreneurs have savings to start with their own small businesses. In the Philippines there are a number of both government and private organizations engaged in credit assistance programs. Some of the more notable programs are the self-employement

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assistance program of the Ministry of Social Services and Development. The metro Manila Beranghi?? industries development program of the Ministry of Industry, the ~~self~~ SELP program of the Manila Community Services Incorporated and a small scale business program of the Philippine Business for Social Progress. However, due to time constraints I will be able to share with you only the experience of Manila Community Services in this community based micro-business credit program for ~~progra~~ women. For the past 11 years, the Manila Community Services or MCSI for short, has been involved in the development of human resources through its skills training. Many women have been trained in various ~~valuable~~ skills and ~~active~~ are now active participants in the economic life of their communities. The women of metro Manila who make stuffed toy animals, who weave bambo baskets, and embroider Beranghtigo clothing?? materials, produce rubber sandals and recycle the ~~toy~~ tall plastic cans are all inspiring examples of MCSI breed of barefoot entrepreneurs. These women have organized themselves into cooperative groups and have availed themselves of MCSI long-term bans to start their own small businesses. They are encouraged to participate in the identification and development of viable projects and are trained in basic management, accounting, production, quality control and marketing. The most striking feature of MCSI's credit assistance program is the development of indigious indigenous women community leaders. From mere receivers of assistance, these women have been ~~burned~~ termed formal leaders in their communities. In MCSI's community based ~~of~~ operations the question may be asked, how far should beneficiaries be involved in the operation of the social credit scheme? In the informal credit arrangement of private money lenders and merchants ~~in my country,~~ ~~once work~~ one's word is good enough. In a way, MCSI has embarked on a seemingly fruitfall experiment along this concept. By supplying 1,500 pesos petty loan fund approximately U.S. 200 dollars to each of its community leaders for lending without interest and without loan papers to prospective enterpreneurs in their communities. Well the bigger loans ~~fight~~ pass through a more formal processing collections and responsibility for loan appraisal and credit worthiness of a beneficiary are completely delegated

by the MCSI to its community leaders. In effect the MCSI principle is to build on community leaders the main pillars of social credit who operate within the geographic and social matrix of the community just like the informal moneylender. Using the community leader approach MCSI experiences 100% repayment on laons. Community sanctions against homegrown swindlers, embesslers and bad credit in general have not yet been developed to an effective degree by organization undertaking credit programs. The MCSI is now developing such sanctions by reaching out to its clients through community-based leaders, and strengthening their credibility by giving them personal discretion in the disposition of the petty loan funds. These leaders are made responsible for loans they recommend to MCSI. the pre-SELP loan is an initial capital extended to the applicant from petty loan funds that has been entrusted to its community leader. The client undertakes the project and repays the pre-SELP loan according to the terms agreed upon her and the community leaders. ~~After the pre-SELP loan has been fully.~~

RAMOS After the pre-SELP loan has been fully paid back, the applicant is further screened if she pursues a bigger application and given psychological tests to determine if she possesses the essential qualities or personality charistics for entrepreneurial success. Loans under our SELP program are administered through a social credit scheme adopted by the organization. Social credit as viewed by MCSI is essentially a system of financing for basic livelihood needs of those in the lowest levels of society and on terms understandable and accessible to this group. The target beneficiaries are those who are unable to obtain loan from banks because they lack the traditional securities required by these financial institutions. Social credit is not a charity or dole out. However, the obligation to repayment under this scheme is still as binding and valid as under other forms of credit. But the guarantees for such repayment are sought, not in terms of material collaterals, instead the scheme utilizes other forms of securities which the program has identified which guarantee repayment of loans just as validly and effectively as traditional securities. The substitute collaterals "are certain human responses based on Philippines social and cultural values which come into play when credit is extended. This includes such Philippines values as heha?? or social shame; the mayon?? sense of community; utomolo?? bound and gratitude; and backatoko?? individual and group integrity or sense of honor. The quality of the beneficiary group as a social unit, that is with the strong sense of community, stability of organization, participative decision-making and sharing of responsibility also serves as collateral. This scheme builds on the human value of the borrowers to lead them out of the subsistense level of living into a more decent life. The program, therefore, represents not only an economic facility for productive growth but also a specifically new tool for human and social development. Loans granted to qualified

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beneficiaries range from 30-300 US dollars for each client. The amount is used mainly as starter funds for their own small small businesses. The Philippines Commercial and Industrial Bank, one of the Philippines' leading banking institutions, administers the loan program. A memorandum of agreement has been entered into by the two organizations for this purpose. Besides as acting as disbursement center for all SELP loans, the bank also extends to MCSI technical expertise in its social credit program, assists in the evaluation of the project proposals and in the development of trust investment plans for the SELP loan fund. In the selection of loan applicants, the following criteria are used: 1) Is the project viable? 2) Is the loan otherwise bankable? can the project be financed through normal credit channels? The SEFP program reaches out to those who have nothing with which to start their business. If the applicants are capable of securing normal financing, they should be encouraged to do so. 3) Is the loan _____ at the basic livlihood of the applicant? The SELP fund derives its meaning from MCSI slogan, "If you give a man a fish, he will eat only once. If you teach him how to fish, he will eat for the rest of his life." This is SELP fund that seeks to enable the loan applicant to maximize the income generating capacity of her means of livlihood. It is not meant to finance a project that will augment the income of already stable individual loan applicant. Another criterion, how reliable is the applicant? An effort is made to judge the applicant on his sense of honor and responsibility, as this is considered an important element in the SELP propelled development program. After almost four years of implementing the SELP program, the MCSI has learned a lot of lessons from its own experiences. Several of the original procedures have been changed or modified to suit certain conditions existing? in the community. The evaluation of loan applications now being done informally has been delegated to community leaders. These leaders have been carefully chosen by MCSI from among the early beneficiares

RAMOS of the program. Because they live in the community where the clients are, they are in the best position to determine who among the applicants can be trusted upon and can make full use of the SELP loan assistance. Due to the high rate or due to the high percentage rates of default in repayment, the collection of amortization has been stepped up. Instead of the borrowers going to the bank, the community leader personally collects the payment. This practice has paid off handsomely. In 1978/1979 loan repayment reached an almost 100% mark. Also, since the small businesses have shorter fund cycles, the collection is now being done daily or weekly. Lately the program has shifted its attention on the development of the family as an entrepreneurial unit. Under this setup the husband, wife and children are encouraged to work together in a business enterprise.To start business a loan is granted to the family with the husband or wife assuming full responsibility for its repayment. While it can be considered that the MCSI approach to micro-credit development is in itself an innovative scheme, there is a need to further explore new strategies of implementing similar programs. In the long run, MSCI intends to develop an innovative technology could be replicated in other parts of the Philippines and hopefully in other parts of the world. By then, the program would then would be able to reach out to more communities. By then the program will be able to serve more and more women who want to go into micro businesses that will make them productive members of society. Thank you.

Applause.

RENO Thank you very much, Lilia. Your report helps us build information about special credit programs and innovations. Now we would like to look across the miles to Kenya and hear about sources of credit in that East African country.

RENO Diana Opondo now will tell us a bit about credit unions, or savings and credit cooperatives as they are called.

OPONDO Ladies and Gentlemen. In discussing the various institutions and other ~~forces~~ of credit or capital that wwomen can tap in Kenya and probably in East Africa, we have the various commercial banks where women can go and get credit but the problem that most of our developing countries face, especially the women is security, the collateral that the banks require sometimes the women don't have. In most of our countries, especially in Kenya, the banks require some title deed of land and most of the land in Kenya is owned by the ~~man~~ men, the community land usually is owned by the head of the household and in many cases these are men, so women don't get credit from the banks just because they don't have the security. But I talked to a bank manager who is a woman just before I came her. She told me that most of the time women may have the security but the bank managers who are men are prejudiced so they don't think that a women would be able to repay a loan if the husband doesn't guarantee the same loan. They refuse to give women loans even in cases, in some cases where they have ~~brought~~ got the security. So, she helped her colleagues ~~I have~~ who are women who are maanagers of the banks, She was saying that ~~this would~~ they should really go out of their way to support the women so that they can run their business because according to prior experience, the women ~~have~~ were given loans, repaid their loans promptly and they were even doing more business than the people who were prejudiced ~~to start~~ before. So she said the women need to help their fellow women in getting loans if they were in a position to do so in the bank. Other ~~Farmers~~ women don't have a ~~local prejudiices~~ lot of prejudices like the agricultural banks which are operated for the rural farmers because you only go there if you are a farmer and whether you are a women or a man, they will give you credit according to your capability. The only problem women face is with the housing or building society, Where, according to their laws a man has to guarantee a women before she can get a loan from these commercial institutions, from these building institutions. Even if the man who is guarantee has no money at all and the women has the money they still ~~would~~ need a signature over man. So, this

OPONDO is one situation that we hope will be rectified to enable women to have access to credit if they are able to repay these ~~laws~~ loans. One other area which I'm going to mention is the cooperative bank but these institution of the cooperative bank only operates for the cooperative society, the registered cooperative societies. And I'm going to give a brief background of how women who have not been able to have the opportunity to have credit through the financial institutions have benefitted after being members of savings and credit cooperatives as we call them in East Africa. In Kenya these cooperatives or savings and credit started in 1967. The government introduced the idea to the people and ~~the first~~ at first time they were organized for various kinds of groups in a residential area in the rural area but government experienced problems with the loan repayment and many of these societies did not succeed as a result of ~~loan~~ non-payment of loans. So later on in around 1969/70 the government felt they should have a different approach and ~~overnight~~ organized these cooperatives for the employed communities whether they are in the rural areas or in the urban centers. So most of these cooperatives are ~~overnight~~ organized among the working groups in the urban areas. So if a woman is working in the same company where the credit union or cooperative is ~~overnight~~ organized, she is eligible to become a member on her own right and she can get the same facilities ~~of~~ as her male colleagues, ~~and~~ the figure in Kenya now of the registered savings and credit cooperatives are 500. The membership at the moment is about 390,000 and a third of this are women who have been able to join because of their place of work. A member is qualified to borrow as long as she has paid her shares. So most of the women who have joined these societies have benefitted by borrowing money to do various things that would benefit the whole family and in some cases to set up businesses. For example, women have been able to buy pieces of land. They have been able to get ~~deposits~~ deposits for buying houses in the cities, to buy machinery for their family's farm ~~farm~~ or to buy famine food or install water pumps especially in their home areas because we still have a lot of problems and there is a great difference in the standard of living in the rural areas and

in the cities. In the rural areas water is one of the big problems. So women have been able to borrow money to go and install a water pump back in their home areas and improve their houses and some of them have set up businesses in town like tailoring, they have opened stalls where they can carry out small businesses, coffee houses, and bakeries. But some of them just borrow for the basic needs in the home like paying school fees for their children. Which is still a problem with many familes who can't afford to get the money to pay for the school fees, or even pay hospital bills, or buy some things they need in the home like fridges, or buy television or something like that that would probably assist the whole family probably to live a better life. Now, most of these women who have the opportunity of becoming members of the cooperatives they don't have any problem with security because the cooperatives, the fact that they are organized in an employment surrounding, that is one security because the money is deducted at source. At the end of every month if a member borrows the money they have to sign, and the payroll deduction usually takes care of the loan repayment, so that is already enough security, the only other security is somebody who can sign as a security for you and usually women among themselves get these from their friends because they don't want to be defaulted. The friends also guarantee them when they want a loan. Now, in this way these women have been able to play a part in the economic life in the big cities, in Kenya and in some parts of the country in the rural areas. The only problems

that women in the rural areas face and that is why sometimes they don't get the opportunity to join the savings and credit cooperatives is lack of regular income; but as long as they have got a business or they want a way of getting regular income or a business that would provide them with income they are allowed to form a savings and credit cooperative and once they are members of this cooperative if they form it on a basis of women only cooperatives, they can go to the cooperative bank and borrow money to run their businesses or start any investment that they

OPONDO chose to do. The only problem at the ~~money~~ moment is with mamangement of these cooperatives. In Kenya we have ~~called~~ got the cooperative ~~police~~ college carrying out training ~~problems~~ programs for cooperatives in the country and in other countries of East Africa that is the same thing. But they usually give priority to the agricultural cooperatives which are, ~~for one~~ stronger and bigger and they feel that ~~for~~ probably ~~all~~ the problems in the agricultural sector is greater and they give them the priority. But the women groups because they tend to be smaller sometimes get the least priority and we feel that they need to be assisted to be trained to be able to run their businesses properly, to be able to run their cooperatives in an efficient way. And with this development ~~given~~ even now we can find a few women who are members of cooperative committees which was not the case before the savings and credit cooperatives were started. We have a few cooperatives who are having managers who are women and in this sense we are grateful that we have been able to find the women have been able to find a way where they can go as a group or go and borrow money from their own cooperatives and we hope that more assistance will ge given to them so they can run their own cooperatives much better. Thank you.

RENO We're going to talk now about financial institutions from just two perspectives. I wish we had time, many of these topics we could spend several hours on. To tell, we are going to look at cooperatives in Paraguay and then we will look at commercial financial institutions in the United States. So to talk about cooperatives in Paraguay we have La Senadora Leonidas Paez de Virgili. Senadora.

~~Would you put your hand up if you need~~

VIRGILI: Thank you Barbara. I salute you on behalf of all the cooperatives in Paraguay and all the members of this forum on the U.N. first half of decade . I'd like to refer briefly to what Paraguay's all about so that all of you have some idea about the country and what it's like as a nation today. It's in Latin America and contingent with Brazil and Argentina. It has an area of 72 thousand kilometers. It has two big rivers - Rio de Paraguay, which is the only outlet to the sea, which enables the country together with Brazil and Argentina to construct three big electrical damns - like (Tinka-pu?) and (Kwokus?) with Argentina. According to figures available the population of Paraguay is estimated ~~as~~ at about 3 million. 27% are in the Oriental provence and 3% in the West. 63% is rural and the remainder is urban or semi-urban areas. 45% of the population is below age. Actually ~~the~~ Paraguay is switching from one economic system to another and there are programs of agrarian reform and many others. The main economic activity is agriculture and forestry, which is about 50% of production. The ~~secondry?~~ secondary sector in production there has increased quite considerably within this process of development that we are going through and over the period under review. The women have ~~received~~ achieved greater social welfare, better living conditions and greater participation within the community. Women today know that some work needs to be done urgently and completely in order to exert their personalities completely and at all levels and to use their potential completely. In Paraguay women have managed to obtain their civil and political rights through law number 239 of 1974 which recognizes civil rights of women and law number 704 of 1971 which recognizes their political rights. Integration and participation of women in cooperatives there in accordance with existing legislatures there are no impediments to men or women

VIRGILI: joining a cooperative movement. And that is executive level or merely an associate or member and they are entitled to equal rights as associates. In the 74 cooperatives which have 18,000 members which I represent we have organized an interesting female participation. Their participation is 23.3%. 37 members are executives, which represents a 24.6% participation. So, out of 300 posts 87 are occupied by women which is about 23.7%. In the Board of Directors we have 5 chairmen who are women, 4 women run cooperatives, in addition to the one which I have the honor to represent. The work carried out by these women, we have to say that in many cases the work has been extremely difficult and they have carried it out extremely efficiently and with great committment and the enthusiasm, and have assumed their responsibilities very commendably. In the 5 associated cooperatives out of 2,500 members about 800 are women which is about 34% participation. This does not include teacher's cooperatives in which 90% of the members are women. More women are taking part in the cooperative movement which shows the concern that all women wish to take on - to take part in the development of cooperatives, and their achievements have been quite remarkable both in public administration and in the cooperative movement itself which we think they could do a great deal more if they could overcome a great deal of problems facing them in some cases simple sexual problems in addition to the social discrimination. The central cooperative, CREDICOOP, has 60 member associations, 3 of which are in urban areas and 32 in rural areas operating in small villages whose members live both in the cities and in the rural areas. Initially CREDICOOP was set up as a savings and credit institution, however, it is now a national cooperative open to all cooperative associations of the country.

VIRGILI: The statutes are to provide services of financing as insurance, collaterals, provision of office equipment and machinery, publications, agricultural loans, imports, exports and market administration. One of the main activities of CREDICOOP ~~Credi-coop~~ are financing projects submitted by member cooperatives. Financing is carried out as, in a way, to enable the cooperatives, the member cooperatives - to achieve within a few years a level enabling everyone to improve their present situation. Creditors are granted for productive ends, that is, to encourage the new activities, such as agricultural fisheries, handicrafts, small industries, and to improve existing businesses and it is also to acquire capital, that is working capital - labor, manpower, as well as acquisition of consumer goods and services, both in rural and urban areas. Such credits are granted in global? form to the cooperatives which in turn grant credit to their own associates. In any cooperative movement whether the member be a man or a woman, all are entitled to credit. There are also groups of persons or entities who can be members of cooperatives provided they are recognized as legal entities. Commercial firms cannot be members as such. But if it is individuals who wish to become members for the purpose of loans which they use later for the benefit of their own firms. At the Credi- all caps coop level the survey we carried out recently on loans showed various aspects on the running of the cooperatives as a whole. These aspects are the background of the cooperative, it's growth over the past year in membership, in contributions, in loans to members, and ~~in~~ debt servicing; the administrative capacity - that is the personnel, the physical facilities and the services provided to members; the financial position - for instance analysis of various financial indicators, the level of capitalization

VIRGILI: the depreciation evolution; its indebtedness towards the central or ~~for~~ the cooperatives and other financial institutions; the viability of projects presented as well as the problems involved and the possible solutions; the capacity to pay generated by the viability of the project or service; the guarantees provided at the level of the cooperative. The main points where granting loans are concerned are: questions of membership; the seniority of the member. In most cases we demand a minimum of 3 months membership. Regular payment in capital and risk capital and the working out of a ratio of one to five in the ratio of loans and contribution. And we demand solidarity - cooperative spirit; help attending ~~tending~~ meetings. ~~and attending meetings~~. The level of capital reached by the associate - viability of the project - that is production costs and the possible benefits. That is to say, the cost-benefit ratio. In order to determine the capacity ~~to~~ of the loan and the viability guarantees - land guarantees and the honorability of people regarded as respectable persons and to decide who may not be able to provide guarantees, but who are entitled to a loan. I think my time is almost up, so I will go straight to the point that refers to women to say there is no discrimination in either fact or spirit in the cooperative movement, but I have to say that most of the projects are presented by men, which is not surprising because the society is a traditional one in which the man is the head of the family and it is men who usually run the businesses. However, in the homes where women are sometimes the boss, and in the case of single women or women have to work when their husbands are sick or in those cases where the man doesn't take on the role as head of the family, it is quite common to find women running the business of the home. One aspect which sometimes compells - stands in the way of women running a business is ~~the~~ her lack of education and her living in rural areas. In fact,

VIRGILI: training for women to cope with life should be oriented towards her meeting the requirements of society as it is today, and mainly at the moment she is trained just to run her home from the moment that she takes on another role instead of just producing children at the moment, most women are devoted to unrewarding and tiring tasks. As a result she's socially isolated, has little access to information and to news about progress. As a cooperativist myself, I think that the cooperative movement is one of the main ways of raising the social, cultural and the economic level of both men and women, because through personal effort and mutual help people develop their own potential and can guide their own destinies. I devoutly wish that all men and women would work for the cooperative movement and I raise the banner of cooperation because it symbolizes collective aspirations of millions of men and women who together are struggling so that there should be in the world in general love, peace, and freedom, for all.

RENO: Muchas gracias. Our next presenter will be Claudia Marshall from the United States.

MARSHALL: Thank you Barbara. Ladies and gentlemen, I'd like to tell you that for the past several days I've had the opportunity of being in Denmark and also in discussing with my many entrepreneurs the problems and difficulties they have faced in gaining financing for starting their enterprises. I must say that the one place that they tell me that it's very difficult to turn to is to a commercial bank, and being from the Chase Manhattan Bank which is one of the larger commercial banks in the world, I would like to help you in this discussion to begin to understand the way a banker looks

MARSHALL: at a small enterprise loan. So for the next few minutes I'd like to discuss both the tangible and intangible items that a banker would look to in a business proposal that you would present to him. Now I'd like to say that many of the examples that I will be citing are based on examples from the United States. However, in my own personal experience I am involved in training bankers from around the world and by bankers, I mean credit union managers, of commercial bankers, savings and loans types of bankers from all the countries that are represented at this forum. And I can tell all of you that the types of proposals or the basic elements of a business proposal that we would expect from a small entrepeneur in the United States are very similiar to what a banker in other areas of the world would expect. So let me stick to fundamentals. Hopefully, many of the things that I will tell you will enable you to get a positive affirmation on your loan decision. Many of you may be familiar with many of the things that have been done in the past few years in the United States to assure fair treatment of women when it comes to establishing personal and business credit lines. Most notably the Equal Credit Opportunity Act and Regulation B, which enforces that act. But I must say as all my entrepeneurial friends will tell me - equal credit does not mean easy credit. And today one of the very hardest lines of credit is to establish a loan for starting a new business. The reason for this, is that so many new businesses fail. I think to understand the way bankers look at small business loans, it's helpful to analyze why businesses fail. According to various studies of factors involved in this failure of small businesses in the United States, roughly 98% fail because of managerial weakness of the individual who is managing or starting the business. 2% of the failures are due to factors beyond the control of the people involved in the business.

MARSHALL: Let me break down those statistics a little bit further for you. 45% of businesses fail due to managerial weakness - managerial incompetence. An additional 20% fail due to what we call an unbalanced expertise or lack of understanding of one of the aspects of the business. Perhaps you know the product line, ~~honey~~ tonee, but you don't know how to bring your product to the market where you want to sell it. Or you understand how to make silk, but you understand very little about financial information in the silk business. The remaining 27% of businesses are said to fail because of managerial experience - inexperience. A President Carter interagency study on women that was done fairly recently stated that among other things the primary practices or conditions which discourage women from becoming entrepreneurs ~~or~~ are similiar to those which discourage the general population at large - again primarily lack of expertise, lack of experience, lack of limited financial capabilities. I think there is little cure for incompetence, but as my friends tell me, with the drive and with the committment you can learn to have a simple understanding of all those aspects that are necessary to manage your business successfully, and I should say to get the backing of a financial institution. I must say after some of those more serious notes, that it is not true that banks never lend money to start a new business. But it puts a great deal of pressure on the individual entrepeneur to have first, a marketable idea, and second, a comprehensive well-thought out business plan for the business in which they want to start. Contrary to popular opinion, and I must say before I became a banker it was very much my own opinion - banks are not in business to make loans. They - similiar to any other enterprise - are in business to provide a reasonable return to their shareholders. Therefore, commercial banks

MARSHALL: as we've heard today, are reluctant to lend to risky situations and small businesses can be risky. Perhaps the most important thing that I can give to you is to structure the approach which I suggest you might want to consider in developing a plan for your business which you would want to present to your banker or to any other individual in whom you would want to have confidence about the business you wish to start. I think there are probably seven major categories around which you could structure your proposal - and when I start using words like proposal or study or statistics, many times people think that it is a very difficult process to develop this type of proposal. I would say that simplicity and a fundamental grasp of what you are trying to do is far more impressive than a very lavish presentation. The seven major focuses of your presentation should include: 1) a description of the business itself; 2) the market in which you wish to operate your business; 3) your competition; 4) the location of the business itself; 5) the management of the business; 6) the personnel whom you wish to employ in the business; 7) and last the need for the loan itself, and I think it's important to realize that six of the points I mentioned have very little to do with the loan or the financial aspects of the loan. First, be prepared to describe the business: what kinds of questions would you want to answer to describe the business you are going into. Well, first of all what kind of firm? Is it a merchandising firm, is it a manufacturing firm, is it a service company? What is your product? Is it a new business or is it one that you were taking over from someone else. Will your business be profitable? What have you learned from other people outside of the business? Trade suppliers, banks, other business people, communications people, publications people, about the business that you'd like to enter. Second of all, who is your market? And I mean who is your real market?

MARSHALL: Honee ~~Honey~~ is not selling dresses to all women in the world. Honee ~~Honey~~ is selling silk dresses to those people probably who live in those areas of the stores to which she distributes her goods. Be precise in understanding the potential market that can use the services or product of you business. What are the specific needs that you plan to fill in this market and how do you plan to keep customers in the market on a long term basis. Third of all, competition. Identify your real competitors. Is Honee ~~Honey~~ again - and I'll continue to use you as a reference because I think that the fashion industry is an exciting one. Is her competition every dress designer. Is her competition people who are making dresses in polyester, or is it in a more limited group of competitors. What have you learned about their operations, and how is your approach or technique going to differentiate what you offer in your business as different from what they offer in theirs. Fourth of all, the location of your business. What kind of facility do ~~that~~ you need, and where - if you need a facility at all. And probably the most important category given the reason why many small businesses fail, the management of the company itself. How does your background and business expertise help you in this business. What kind of a track record do you have that shows that your technique can work. What related work experience may you have had. If you lack experience in some area of the business, who is going to help you gain that expertise. How are your other personnel needs going to be met, not only now, but five years from now. How are you going to train your personnel? The last category the application for the loan itself.. How will the loan make your business more profitable? How is it to be used and what is your plan for repayment? As I said before, the business plan should be straightforward. It should be quite fundamental. A good presentation however, will rarely convince a

RSHALL: lending officer to make the loan, but I must tell you, a presentation which is not clearly documented will certainly limit your chances of receiving a successful loan. The last point that I'd like to mention to you is a little bit about the loan application itself, and what information a lending officer would expect from you in the application for the loan. In our credit training program at Chase Manhatten Bank we often talk of the five P's of lending. So I will mention to you what the 5 P's mean to me. First of all information about the principles. The bank will want to know all the people involved in the business - or the principles as we call it in the United States. Ideally, what should be included in your discussion of this element is both the personal financial and business portrait of every key person in your business. You should include credit and business references. Here is where you would want to give all the pertinent information about your background that you think will help to make your business a success. The second P, is the purpose of the loan. And here you must be specific. Not only must you describe the fact that your business needs money, but precisely how are you going to use the money? To buy supplies? To be used in some financing of trade related transactions. Whatever specific cash purpose the money in the loan will be used for. The third P - the payments of the loan. The lender will want to know the primary source that you are looking to as a business manager to give he or she the money to repay the loan. Here again, it might be some of your sales coming in, the conversion of your inventory if you're in a manufacturing firm etc. I think it's important to remember that a banker is not really a partner in your business. If your business does extremely well, and grows very rapidly, a banker is guaranteed the same return as if your business were

MARSHALL: to fail and that is very much a point of view, unlike a venture capitalist or someone who is actually giving you money to invest in the business, or giving you capital, the banker gets no benefit from your success or failure. Fourth of all, protection. And I think that this has been referred to throughout the morning as very difficult for individuals to understand. Whether considering a loan for a start-up business or one for an on-going concern, the banker is looking for protection. Now, I'd like to just point out two things. The banker will not want to look to your collateral or your security as his source of repayment. It's not in his best interest or yours obviously. The banker will want to look to your business and the generation of money from your business for the repayment, but for a first time lender you will probably need to bring in collateral of your own to support the loan. And fifth and last of all, prospects. And by that I mean most banks are interested in establishing a total relationship with you and with your company. Particularly in the case of small loans, small credit lending may not be a very profitable business for many banks to be in, so a bank will look to want to support any of your checking accounts or any of your financial transactions related to the business. At the risk of ending on a negative - (End of Side B) - of ending on a negative note, let me give you a list of the reasons - of the major reasons - why loan requests are turned down. Hopefully, with this kind of information you can work to arm yourselves against becoming a victim of the same kind of thing. Reason number 1 - in adequate preparation of a lending proposal. Number 2 - no prior related experience of the entrepeneur. Number 3 - the company lacks capitalization of any form. Number 4 - the individuals involved have little money to invest. Number 5 - the proposal lacks an

accountant or an attorney and six a general lack of understanding of the market in which the business is to operate. Thank you very much.

RENO Excellent, very helpful, Claudia. Yes, I'm sorry la Senadora has to leave right now, we want to thank you again. He said you had to go. Thank you. Now we're moving to talk about a development bank and special programs for women, some working, some not working. Beatriz Harretche is here from the Inter-American Development Bank. Beatriz, please.

HARRETCHE (in Spanish through interpreter) I am going to speak in Spanish but very very slowly. When Barbara Reno sent an invitation out to me and I read the part I had to play within the program, I meant first of all to introduce a correction because the program I'm going to present hasn't been designed as a program in order to promote the participation of women. Actually it was designed and conceived as a program to finance small projects. Nevertheless, I didn't call Barbara up because actually - because my mistake was actually based on truth and reality. After examining the results of the program we've seen that even though we haven't thought of it like that the program is promoting actually the participation of women in development programs in a fundamental way. And here, I would like first of all parenthetically to ~~open a parenthesis and~~ tell you what kind of ~~institute~~ institutions is ~~corporations~~ in charge of this program. It is an international, financial entity consisting of Latin American countries as well as Caribbean countries, the U.S., Canada, as well as 17 other members belonging to Europe and Japan. The bank as a development bank has a turnover of more than 17 millions of U.S. dollars as well as development program covering a lot of sectors fields, all open to planning of development for instance. Recently, a few years ago and their was the basis for the opening of the women's decade

TCH some women involved in the bank we just wondered the following: What has the bank done in order to promote the participation of women for Latin American development? That ~~wasn't clear,~~ was a query and actually the answer was very regrettable and gloomy. Actually the bank could not have performed anything ~~tightily~~ timely(?) and actually we could not blame the bank for inadequate thinking for that. So far we are away from the microphone - we cannot hear the speaker - here she comes back. So it turns out now very easy actually to tell you why the ~~are~~ private bankers, nor the development bankers actually can. (disturbance in tape)...be the sort of area within ... you see that is just about the ..... my aim. Well, we have the business capital. Are the collaterals for instance, deposits - what are the values of the investment and we are aware of the conduct of someone who ~~are~~ is indebted. We know also what can be the capacity to repay all bankers ~~who are~~ whether commercial, private, or developement - to examine the cash flow in the light of the project to be conducted, to see whether they have the capacity and the capability to repay. Eventually its actually basic both for the commercial and for private bankers that they can be secured to repay - the International Development entities. Well, it's even more difficult, because with dollar loans we have to pay them back in dollars, and in times of increasing, galloping inflation the big groups cannot actually keep its table, therefore, the governments or the authorities ~~preventing~~ presenting ~~ting~~ preventing? the government to control the dollar, well we see that we just cannot obtain these loans. With this study that we conducted in this respect we have seen what the main hindrance is and obstacles for the resources of the bank to be lent to small businesses of a certain size which cannot sometimes compete. Therefore, we see that we have all those obstacles and the conclusion is that the commercial bank ..... they go up to the first line

ARRETCHE: and we ..... by having a very considerable effort down to the second line. But that ~~they~~ there was ..... there a human layer, very thick with the capability to develop small businesses in urban as well as rural areas, without any access to credit. And if they have some access to credit and loans, only at very high rates, which meant generally that it was the main cause for the business not to be successful. With all these data on hand, we then decided to develop an experiemental program to see up to which an international entity whose resources are public resources to which it has some attention to give - particular attention could actually funnel its efforts to try to go to the last line. And our program was designed along the current lines - to try to help small businesses through intermediary businesses or entities, not traditional ones. By not traditional ones I mean to say that those entities are not of the government type entities. We then tried to embark on this program by accepting that we would use as intermediary entities those non-profit making bodies and private corporations - whatever their origin or whatever their approach - some kind of institutions, or ? sissions for laborers, workers ..... corporations, cooperatives, church entities, and so on and so forth, a wide open gamut of let's say NGO's with a wide open ranging experience to try to come and help those small businesses generally through technical expertise assistance, but already with many cases with very small lines of credit. What were the general criteria to decide the plan for the program. Well, they are first that there is a program which normally should engender employment. Also this business should be a production, manufacturing business in the short-term, by working with groups if you want, starting from traditional economy and product in ten or fifteen years leads to catastrophe. Therefore, the project, program should have an impact in the short run in a one year period at most. Now, about what we meant to examine

ARRETCHE: and study. First, the financial weight, capacity of the program. Actually the program is not going to indebt individual peoples and get their plight even worse at the beginning of the program. The answer is actually of fundamental importance, because we see that a big member of small businesses is the victim sometime because this question is never asked: what is the capacity, indebting capacity of the small businesses, for instance; like family cooperations at the service of a production activity. Now about intermediaries, to go down to the small businesses for loan purposes or assistance purposes, there should be non-profit making bodies and we demand them a very detailed analysis, not only of their financial behaviour or approach but also detailed study of their organization. The fundamental factor that we're looking for is that those entities should be service entities for these small businesses. It is actually extremely difficult to communicate with groups which have never had any loan like rural entities and therefore we need to have a special motivation from those people that are ready to help small businesses. So this is how we embarked on the program and currently in this day and age we just adopted 25 operations in South America in 14 countries - the maximum are 15 millions of dollars; the financial conditions are very flexible; the resources are being lent to less developed countries up to 40 years with 10 years as a mercy period, with very low interest rates. Then in very similiar conditions to the Development Bank which is based on the following idea - there's new sources of credit; should learn how to handle credit; and one of forms to learn how to handle credit is to give them credit in conditions similiar than the traditional banks with one proviso only: that we only authorize to waive the intermediary if you want, because we are not going to hack through those

RRETCHE: intermediaries in our program. I know that time is running out but I would like to say very briefly perhaps that the only thing that we can communicate put out as an experience after a one and a half year period - very short - that the program is highly successful in terms of returns. Because as bankers we are very safe that the intermediaries are getting back. Returns in a very safe way, a very satisfactory way, and we see now the participation in the overall lines are in a percentage rate between 50 and 60 enterprises which are controlled or owned by women - and some programs sometimes we have 100% of women - like in Uruguay (?) for instance, encompassing 20 cooperatives with 1,100 women. 1,000 working in the line of production and 100 women working in the administration offices. This organization which cropped up about 10 years ago has sold last year 1 million 800,000 dollars of sweaters - wool and cotton products - high level merchandise in the best countries of the world. This was based on the fact that the enterprise organization is fine(?) - where principles were respected like quality control, the sales delays and so forth. Like in Uruguay for instance, in developing countries we can organize any member of businesses with women labor. We have just an experimentation in Columbia. About 1,000 women in ten workshops where the credit required - was required actually for a basic tool within the enterprise. It was a communications system and we are lending credit to buy a Telex because they are being divided into ~~too~~ many cities in Colombia and one of the main obstacles, hindrances was communication - to communicate. So, with this type of businesses - women's businesses I think that we can actually train the whole world without too many hindrances like with traditional businesses and I don't think that credit will be short. A second line of activities where we can have credit to go down to businesses, not only women's businesses, but also men's

ARRETCHE: businesses is the guarantees, securities of credit to replace one of the factors which normally lack. I think that the next speaker has actually a case to present which is very clear and full-proof. Thank you very much.

RENO: Muchas gracias, Beatrice. Since we are running out of time, Very quickly we will move to a wrap-up then, I guess an extra brief wrap up, sort of looking to the future and where we are going in terms of this particular subject - access to credit. Michaela Walsh is the Acting Chair of Women's World Banking, so she has a lot of expertise in this area. Michaela Walsh.

WALSH: I'd like to say that as of yesterday I am now the President of Woman's World Banking and I can say that in the audience there are a number of members of the Board and I believe the Chairman is up in the back and a couple of other members. We have been fortunate enough to have many of the Board present this week and since in fact the idea for Woman's World Banking emerged at the 1975 Conference in Mexico City it seemed appropriate to have another meeting here and take it into another stage of development. I would like to - before I begin talking about Women's World Banking- explain a couple of assumptions that brought me into working with this and one of them is in contradiction to what Barbara said, with regard to expertise, because I think that over the last few years I've come to the conclusion that there are no experts at this game. That there is a lot of specialization and that there is a lot of knowledge and experience that can be shared, but that in terms of financial institutions and experts I really don't think there are any, so that I think that we as women can set aside our fear of not having that information that was mentioned by one of the businesswomen this morning. Women's World Banking grew out of some

LSH: discussions that began in Mexico City and were focused on the concern that there was no reliable access to credit for most women and particularly low-income women in most countries of the world. In listening to many of the speakers this morning it seems as though that there are a large number of innovative, different forms of institutional access to credit, but I think that in the reality of it - of the "no barriers" concept that in fact few women, many many fewer women than men do have access to credit, whether it's for legal barriers or for perceptions of what a good credit risk is, perceptions on the part of women on what a loan should be and so I think that what we're really talking about is access to the collateral as was suggested , access to information - and of information that is available in the terms that it can be understood, and then a collective effort on the part of women who do have access to centralized capital to join in an effort to provide that capital or mechanisms for getting that capital out to larger and larger numbers of women. Women's world banking is designed with those three ideas in mind. In a short summary of how we plan to initiate that program I can say that we are launching a capital fund of 5 million dollars (US $) throughout the world which will provide, say a 10% return giving us a 500,000 thousand dollars a year to provide loans or guarantees through existing financial institutions for loans to women. That capital when put out at a level of 250,000 dollars into financial institutions can provide 25 million dollars in loans and additional guarantees to financial institutions who in turn can provide loans to women - so that there is a tremendous benefit in leveraging women's capital towards helping other women - business owners and collective groups of women. Let me say that the philosophy behind using the existing financial institutions grew out of a concern of mine that

WALSH: a man who was one of the heads of the World Bank said to me, "why do you want to start a woman's bank? Women own the money of the world." And my response to him was "Well, we may own the money of the world but we certainly do not control it." and that by turning to the women who do have business expertise and knowledge of banking within their own economies and women who have deposits in those financial institutions or have access to those financial resources, they can join with Women's World Banking in providing the guarantees to the lendee. The way we expect to design that is that Women's World Banking will provide a percentage of the guarantee - a collaborating institution in a particular economy joining with us will help to provide expertise and a portion of that guarantee through a local banking institution and then we would hope that the banking institution or cooperative or financing institution would also provide a small percentage, let's say 25% of that guarantee, thus building in some expertise and cooperation and collaboration in helping to insure that those loans are effective and efficient and result in greater productivity ~~to~~ for the women involved. To give you a couple of examples of how we hope to begin working I might say that we have - we have had a request from Nigeria, in fact, in Nigeria we have begun to negotiate a Woman's World Banking institution. In another case we ~~had~~ held a meeting in March in Amsterdam to launch this effort and had the participation of about 60 women in banking and finance from 40 countries throughout the world and the dynamic response to the formation of an association a network of women with that kind of expertise was most exciting and heartening. Also out of that meeting grew a request ~~for~~ from two entrepreneurial groups - ~~one~~ Manos del Uruaguay ~~that~~ one that Beatrice mentioned and a group in the United States of rural artisans, called Artisan's Cooperative, both marketing groups in their own countries ~~had~~ have now joined forces in an

WALSH: effort to extend those markets into Europe, into other parts of the world. But the strength that comes from that collaboration is an exploration, is an experiment, on the part of not only on Women's World Banking but certainly on the part of these two very good solid businesses which are owned by the producers of those crafts themselves, so we are trying to break some new ground in that regard and hopefully there will be opportunities for other artisan groups to tie into that further down the road. Another experiment that we hope to launch is a relationship between Women's World Banking, a group in a Latin American country or Caribean country, and a major corporation - Singer Manufacturing, in which they will provide technical assistence and training not only in the use of those machines but also in the maintenance of those machines by women and for women. Ultimately the women themselves will own those sewing machines having purchased them through a local banking institution with a guarantee from Woman's World Banking, an individual within that country who is willing to guarantee part of it, and then the banking institutions themselves. These are all in the designing stages; we have a long way to go; we are open ~~to~~ for any advice, any suggestions, and certainly support from all of you. If you have any questions tomorrow morning we are going to show a video of the meeting in Amsterdam - of the banking women - and I'll be happy to answer any questions for you there. I will post a notice of exactly what room it is.

BOOTH: I'm Alice Lynn Booth, and I'm assisting Barbara. I'm with Caribbean Central American Action and I'm also a Communications Consultant assisting Barbara with this project and I'm going to sort of help wrap things up. We are going to take a few questions, and I'm going to start by using my limited spanish. I wanted to ask la Sen~~ora~~ adora Paez de Virgili _____ (began to say something in Spanish - then was asked to speak in English instead.)

BOOTH: (Much laughter) Great, very good. I was wondering if the credit unions are all integrated, ~~with~~ men and women, or whether there are any that are particularly limited to membership by women?

SENORA: Yes, these cooperatives are open to both men and women with equal terms and conditions. We don't have any cooperatives that are exclusively women but we do have within those cooperatives associations of, for instance, handicraft who need the credit as the lady of the Inter-American Bank said we are preparing a project for women handicraft businesses, for small businesses.

BOOTH: Do we have any other question? I have one over there. Can you go to the microphone please?

LADY: This isn't a question - it's more of an announcement. I just wanted to say that we set aside Friday from 10 to 12 in Vivencia in cluster ~~close to~~ number 4 to discuss future actions related to women's access to credit and particularly to look into direct follow up to these meetings, so as many of you that can come to discuss this we'd appreciate it.

BOOTH: Any other questions? No. I'd like to make a few announcements too. We are going to repeat this program, ~~probably~~ a little bit shorter with a different format for videotaping tomorrow afternoon in this building in room 7-19 and we invite you to come and participate and invite your friends and acquaintances. There are also a series of credit workshops that we are sponsoring and I will just give you briefly the names and the times: "Revolving Loan Funds - What to Think About" that's the Exchange, room 14-130 on Friday, from 1:30 to 3:30.

BOOTH: "What Do You Need Besides Money"- about women starting their own businesses on Friday at the Exchange, the same room 14-1-30, and that one is from 3:30 to 5:30. There's another one "Future Steps for Women and Credit" sponsored by Vivencia. and that one is from 10 to 12 on Friday and another "Micro-Entrepeneur -A Philippine Experience" Mrs..Ramos is going to give slides and a discussion and that is next Wednesday, July 23rd from 10 to 12. And we appreciate your being here. Thank you.

Applause

Booth: I am speaking with Leonidas Paez de Virgili of Paraguay. First, can you explain, What is CREDICOOP?

Virgili: CREDICOOP is the central national cooperative of Paraguay. It is an organization of second degree which assembles, on a whole, 46 cooperatives of credit and multiple services. Among these cooperatives, some are rural, which means they work in the field, and others are urban, which means, they are in the capital and other inner cities of the republic.

CREDICOOP has been formed, with the purpose to better serve all of the cooperatists concentrated in the cooperatives. It was originated in 1973, in mid-October, and in these few years of life, CREDICOOP has done much for the development of the people of Paraguay.

It is notable to see the role that CREDICOOP is playing on the national scope. Paraguay, is a country with about 3 million inhabitants, it is in full development. Its principal products are in agriculture, livestock, and forestry. Presently, it is coming to a period of industrialization and we believe that with the concretion of the two hydro=electrical businesses, the biggest of the world, which they are building, one in Brazil called Teipu, the other which is now in Argentina; the country will make an extraordinary advance, as far as its development and industrialization are concerned.

CREDICOOP is fulfilling an intense responsibility in the area of agriculatural production, with all of its members in the rural cooperatives. It is providing services of technical assistance, credit assistance, and also product commercialization.

It is also promoting the development of artisanry. In artisanry, women are found on a large scale. This is their great role in Paraguay; the women work in the area of artisanry of materials,particularly in my community, Carapeguá, which also has its cooperative called the Carapeguá

Virgili; Limited Cooperative. It has a large group of artisans whose production is bringing a great income to the population. CREDICOOP is encouraging the development of artesanry by means of credit and technical existence for the artisans looking for a way to free themselves.

It is giving services; auditorship for the cooperatives, savings bonds and loans, an insurance service and guarantee for savings and loans, honorable insurance and bond of all directors and financers of CREDICOOP.

It is carrying out numerous projects, for example, the Cooperative Colony which is in two locations of the republic. A pilot project which gives hope to the farmers, the farming population that has very little land extension for cultivation: they are going to colonized zones now that the country is focusing on the agrarian reform program and rural well being. It has a program which it is carrying-out with AID, in regards to an intensification of horticultural and fruit-yielding production in the farming zones.

Paraguay should be given special consideration in that the farming zones surrounding the capital, are the most populated zones of the republic.

A program with AID has arisen to direct the production , to provide total benefit to such an extent that the farmer working the land is able to occupy the land 12 months of the year and obtain the most benefits. It is one way to help the population, to elevate the level of living.

With this in mind, CREDICOOP is constructing, at this moment, some large cooling warehouses which will enable the dawning of production of the members until the moment of commercialization. CREDICOOP in Paraguay, is now in among the exporting group, the members are able to commercialize the products, and of course, it is exporting overseas, products such as cotton, soy bean, and artisan products on a large scale. Also, in this moment, it is working on installing its own burling machine. A burling machine which will be the property of the small businesses (Producers). So, for the first

Virgili: time in our country, the little farmers will be owners of their own agri-industry.

There is a need to emphasize that in the cooperative movement that is centered in CREDICOOP, the women occupy the same position as the man. After all, we have all the rights that were obtained by the legislation of Paraguay. In 1954, by law 236, the Paraguayan woman obtained her civil rights and in 1961 by law 704, has obtained her political rights, a part from that, we have special laws, like for example, the labor law, where total equality as far as the womans'position with respect to the man is reflected. And in CREDICOOP it is notable to see that I am, as a woman, president of the national center of Cooperatives. There are three other women within the Administrative Council as well as the vigilance force and also, we have many cooperatives where the presidents are women. They are women.

And within the membership, sincerely, there are women and men working in equal conditions.

Booth: Can you tell us a little about how you began working with Cooperatives and your personal experience?

Virgili: - Very well, I was in Carapegua, living in my native city that was located 80 kilometers from the capital. It has a population of 30 thousand inhabitants and within that number, the major part is in the rural sector. As a school teacher, I was always interested in the problems of the community. And when I began to occupy the directorship of the colegio, the former college of primary teachers, I had the opportunity to be closer to the people. So much, that I realized all of the necessities within this farming town. And an inmense desire grew in me to do something in favor of these people who were fighting to increase their level of living. I found, in cooperativism, one of the most efficient manners to reach this increase of living, this betterment

Virgili: of the level of living of the people with limited resources, because of the fact that behind cooperativism, man _____ himself. Because with its help, with their own effort, with the mutual assistance, they try to improve themselves, to find themselves as an individual and they consider that this is the best way, really to unify man, to elevate man, to elevate him and to elevate his position.

So, in that moment, we had in Paraguay, the program, CUNA/AID and the director of this program was Mr. Carlos Flores. He was with the development of the program, the formation of the cooperative in distinct places of the republic. And we were able to get in contact with each other and they visited Carapeguá. They explained to us what cooperativism was, that which signified cooperativism for the development of a community. Then, we met together, a group of people, in the great part, we were women educators; women and men educators, and we formed a pre-cooperative in Carapeguá. We worked, amended all of the documents, project ordinances, program, plan of activities, ultimately, all that is required for the constitution of a cooperative.

Booth: How many women?

Virgili: We were 10 women and 6 men.

Booth: And everyone did the same thing?

Virgili: And everyone was working in capacity, ourselves, and also the organization now worked to form a cooperative looking for new members, applying to the group of people, to teachers, to artisans, to little businessmen, little industries applying the benefits, the necessity to unite themselves, to have more power, to obtain credit, to better the production and therefore, increase their economic and social liveliness.

Booth: And they were able to understand what you said?

Virgili: They understood because we did the explanations in simple forms, we distributed the pamphlets made at the level of the people, and also, in necessary cases,

Virgili: we spoke in our national tongue, which is Guaraní because Paraguay, is a nation with two languages, one official language, which is Castilian, and another national language, which is Guaraní, established by the national Constitution, So, since we also speack the national language of Guaraní, we spoke and explained to the people in Guaraní, when we realized that they didn't understand Castilian very well, And in this manner, we acquired new partnerships, and when we had more or less a quantity of 70 partners, we formed our cooperative. And we began to work under the continuous direction of CUNA/AID. In this way, we assisted, forming other cooperatives in other nearby communities.

In other locations, also, little distances from the republic.

When we had formed 16 cooperatives, more or less, we did a seminar that lasted 15 days in Carapeguá, in my city. And here, we studied and analyzed our problems and came to the conclusion that here lacked an integration organism, an integration organism of these cooperatives with the purpose to offer major and better services to each one of all of the associates. Thus, the ideas was born to form CREDICOOP, the second grade headquarters. And we decided our mission, I occupied the presidency of the organizational commision of the Central Cooperative, we worked intensively for three months and we came to constitute and from CREDICOOP.

Booth: When?

Virgili: In October of 1973.

Booth: But, the first organization?

Virgili: The first organization was in July 1973. And three months later, in October, we formed, we carried out the organizational meeting.

I want to point out that for the execution of this, for the conception of the organizational meeting of CREDICOOP, we have counted on the determined support of the national government. It has given great support and great momentum so that this could be accomplished.

Virgili: On the other hand, I want to point out that the CUNA/AID program has assisted us in all that was necessary in organizing the orientation so we were able to form our cooperative and our head office, ourselves, with the economic assistance so that we were able to expel of our initial debts of the initial years of existence. Thus, we gave ourselves a ____ that enabled us to move in the initial moments. Today, we are almost self-sufficient we are able to say, the economic mission of the U.S. is diminishing its role, which will end this year, 1980, and in the next, we will begin to walk totally alone. We now have a secure enough base because of the fact that we count on excellent volunteer leaders. Because we are all like volunteers working here for the purpose of making benefits for our brothers, of more limited resources.

Thus, it is a great satisfaction, working in cooperativism because we feel ourselves fulfilled. Sincerely, I find that the cooperative work is fascinating, to be able to serve others, to be able to help others, to elevate ourselves, everyone together is considered to be the best of it all.

Booth: Can you describe with one or two examples, the life of an artisan woman? And when she was not with the cooperative, what is the distinction in her life and her level of living?

Virgili: Yes. This is a very interesting topic, and over all, a very beautiful experience that we share with the artisan. These artisans, in my community, were working on the production of a texture; some quilts that are called poyví, which is a texture made of cotton. A texture made of thick cotton thread that the women, themselves, prepare. And they weave on a coarse cotton thread loom. These artisans were working but were exploited by the patrons or the intermediaries that were working in this or comercializing the artisans' products. One artisan is earning one dollar, they are paid the lowest amount for the work, for one quilt that was finished.

Virgili: When we saw that these artisans were working from the early morning to night, producing four quilts a day and collecting for this job, in total, in one day, the sum of one dollar.

Booth: They work at night?

Virgili: From morning, they began at six in the morning and they finished, more or less, at five in the afternoon. Almost 12 hours of work to produce four quilts and receive for those four quilts, a total of one dollar.

While the intermediary, was benefiting with sale of the products. We decided to formulate a census and we found the situation in which the artisans were being exploited. We spoke to them of the necessity to bring the situation to the cooperative. And first, we brought them in a group of ten, in such a manner we were able to add up their savings, to enter into the cooperative. Once they were in, then, we began to give them certain talks, classes, seminars; showing them the necessity of uniting themselves to be able to attain their liberation and improve the production and obtain better benefits. The cooperative gave credit to ten artisans, and this project with them, was divided into 2 stages.

One stage, to grant the credit to buy the raw material; the thread, for weaving to carry out their job and sale for the best price.

And the second stage, the construction of a large shed shop for a weaving shop where they would be able to meet and do the weaving of their threads in such a manner as to have a better, more solid color and to produce better products. And also, to help us acquire new shops.

In this manner, the women with a technique to improve their weavings with new designs, with better prepared tints for the weaving, and with a credit that has helped them produce and sell, they have improved their situation.

And we obtained a market to export the products to Denmark and Holland.

We have exported, we are exporting one thousand manufactured marked quilts a month. So the artisans received the value of their job, in check.

Virgili: From here, they are going to exchange into the dollar's difference which they were collecting for each quilt; they began to obtain a benefit of 8 to 10 days over that which they were earning. One can realize the difference of the benefit for each quilt! They were receiving one dollar for four quilts a day, with the work that they began to do because of the cooperative, they obtained a benefit of 8 dollars more for each quilt. Then, they realized, the nature of the cooperative and from there extended themselves to other artisans, thus, they were uniting themselves. In this same moment, we are trying to unite the remainder of the artisans because there persists in the environment the domination of certain patrons that have these women subjected, because of credit that they have previously granted to them.

Credit that the patrons were giving, they were charging with an interest of 30%, more or less. Thus, a group which was being greatly exploited is now freed from this situation but, another group has not yet been liberated. They resist because of the fact that it is natural that in the beginning they feel certain suspicions when they do not know very well what a cooperative is and what the benefits are but we are in this program of expansion and education for the people of the country.

Booth: Before the cooperative, did they have credit from a gentleman or a bank, something or nothing?

Virgili: They had credit from a particular patron that exploited them three times more because he never gave them cash, but gave them raw materials and paid them for products, not in money but with, one would say, things for their nutrition, for example, he gave them in clothing, in rice, in spaghetti, anything, not in cash but that which the people would need to maintain their family. So, he was exploited three times, one with the job, another with the credit that he gave them (the thread that he gave them was much more expensive) and another was that of the elements that they needed for

Virgili: their living, which were sold much more expensively.

Now we are considering, to complete our job there in cooperativism, to also have a consumer warehouse so that the members are really able to provide their own necessities from the cooperative itself, even for the same price, without the exploitation of these people.

Now, there are also various examples of women that are in the _____ agricultural country elevating their positions as a consequence of credit cooperatives. We have many women that are head of households, do not have a husband or because they have died or because they did not have him and they are having to maintain 7,8 and sometimes 9 children and they have to cultivate the land, and a parcel of land, she displays her work plan, the same as the male, and the cooperative grants her the credit, gives her the technical assistance necessary and comercializes her products. And in this way, her children are _____ they have a woman _____. Because of this work she now has university children, because of credit or she had cooperative material that she used to improve her productions and therefore elevate her social-economic level.

Booth: When they, one part of a cooperative she has experience not only in her own sewing item or that which she makes but also in the exported businesses and other things?

Virgili: Yes. They submit their product to their cooperative, They come, enter, have an office assistant that orients them and receives the products, qualifies the products of the people, and the cooperative returns it to CREDICOOP and CREDICOOP at last does the exportation.

When CREDICOOP has now received up to the last cent of exportation, the members who submitted their products receive the commercialization exceedings in a percentage equally conformable to the quantity of products submitted, in such a way that these people, for example, after sending their products, are receiving the pay that moment and later when the exportation operations are completed they receive the respective exceedings.

Virgili: Because as a cooperative, it does not pursue the profit of the exceedings. It makes distributions to the members conformable to their cooperation.

Booth: Now, are they able to save money?

Virgili: They have their savings. They teach them to save. There is a percentage that one has to monthly save. But there are times in agriculture when saving monthly cannot be done, the product comercialization has its time. In this period, the people have comercialization or in the moment that they withdraw the credits they make their savings smaller, in such a manner that they do not spend all of their money on things of little importance. They are learning the importance of saving in accordance to the amount that they have saved, over this the credits are granted. There is a system of five for one that we use there or ten for one in some cooperatives which is to say, that ten times more of that which is saved, can be given in credit. They know that saving is necessary. They save because they know that in this, more credit can be obtained to begin improvement.

We have the case of a woman, for example, who is a member of the cooperative _____. She entered in 1976, from that date until now, her savings have increased in the amount of $600. (Cut in tape) To this date, they have a borrowing potential in the value of $1000. This woman, named Victoriana has dedicated herself to the workmanship of purses, large bags, and leather suitcases. Her last loan, she esteemed to the purchase of an industrial machine, and purchase of raw materials. Thanks to credit, the quality of the finish of her materials has improved notably. Before, she did the needlework by hand, the inconvenience, the time consummed, the uneveness of the stitches that devalued the quality of the product. Besides, to generate work for her two daughters and husband, to generate work for some buyers also and thus she formed her own business.

Booth: How many people are in the cooperatives in Paraguay, now?

Virgili: We have about 20 thousand members in CREDICOOP. As a consequence of all of their cooperatives. At this moment, another 24 cooperatives are ready to enter.

Virgili: We are studying their situation in such a manner that we should be able to accept them in CREDICOOP. We have formed the pre-cooperative, we assessed and when conditions are met, a constitutional assembly can be formed and later another assembly to solicit their incorporation to CREDICOOP, 24 cooperatives more. Thus, from 46, we are almost at the point of getting to 70 cooperatives and this would make 30 thousand members, more or less.

Booth: What effect do these cooperatives have on the country, in general, in the development of the country?

Virgili: It is fulfilling a great task. And yes, this one can see very clearly in the quality of production of the people,(because of a permanent technical assistance) Also, in the consciousness which is forming, they are much more responsible, they are people who are accomplishing their obligations and (over all, they are having the very important conscience of grouping in organisms of that nature.) An example of the effect, for example, we can see in our cooperative colony, in a place called Naranjito which is in the northern zone of the western region of Paraguay. A colonizing zone. We took 40 agriculturists of a community called Quindy that is located 120 kilometers from the capital; these agriculturists had very little parcels of land of 1 to 2 ____ more or less for their cultivations. And since cultivation in such small proportions does not provide much income, in a coordination of work with the insititute for the well-being which is with a permanent agricultural form. We _____ to a orange zone with 20 _____- to each agriculturist. And from that we continue _____ our job with them in such a way that they continued having technical assistance, credit assistance, comercialization of their products. In little time, a year of having _____ in that place, we have seen extraordinary production, soybean, corn, it is sincerely extrordinary. And the joy, the satisfaction, the happiness that is noted in these people who are working, changing life from one manner to another sincerely, it convences one of all the sacrifice of

Virgili: work done to accomplish this. And the difference in the people that are in the cooperative with the other people who are in the colonization zone, is noted in the production which they have accomplished and in the extension of cultivated land in one year. There is a notable difference from the other people who are not directed by the cooperatives, they are farther behind in their work. It appears they are limited they give a great effort so that everyone works on the same level and everyone wishes to progress that much more. It is a difference that is noted within the membership of the cooperative associates and the non-members in the colonization zone. An interest is awakening in the others of the cooperative thus it is a promotional job that is surging spontaneously from the results that one sees within cooperativism. Our cooperative movement is fulfilling a big task in the development of the country.

The government, itself, recognized it, for that reason it is offering all of its support so that the cooperative movement will continue moving ahead.

Now, there is another cooperative movement in Paraguay that is called FREDCOPRO.? It is working parallel to CREDICOOP with another group of cooperatists but exclusively in agricultural production. We offer multiple services because CREDICOOP has cooperatists of agri-credit, it has cooperatives with services for rural assistance, for the artisanry, for commerce, for the educator, and for all, for housing also.

But this federation of cooperatives does not give credit to its members. Because, by the law, the federations are simply organisms that are able to give financing and representation at the same time. It is the motive for which we have organized in this second grade organism as a central cooperative. Moreover, we are afiliated with the Latin American Cooperative Confederation - COLAC, that has its headquarters in Panama. And because of COLAC, we are in the World Council of Credit. Presently, I am, second vice-president of the Latin American Cooperative Confederation and every four months I am traveling to Panamá for the meetings of the Central Executive Committee.

Virgili: In agreement, the evaluation that AID has made on our central cooperative, the same as WID, that granted us credit because AID has given us credit in the value of 3 million dollars to finance the agricultural production of our members. And WID, in the value of 500 thousand dollars. In agreement of the evaluation that they made over CREDICOOP, it is fulfilling a big job in the development of the rural sector on a large scale. Equally, it has greatly helped the educators, and within the group of educators, the major part being women. 80% of the paraguayan educators are women. And in our cooperatives, we have a large number of members who are educators. We even have some cooperatives which are exclusively for educators and in those 50% are women. We also have women who are playing the role of managers of cooperatives and with magnificient results with their workers. Cooperatives, with male managers, had not been able to move ahead, now with female managers, are moving extraordinarily well.

Booth: I want to talk a little about Asunción, the city, more than being in the country ... but of the city and the problems of the women in receiving credit from a bank, for example, is it possible? And also I want to know if in the cooperatives in the country the women are able to remain in the country they do not have to go to the city looking for work because they have the opportunity to earn enough money in their own town, Do you understand?

Virgili: Yes. It is a very interesting question. Our capital, Asunción is the most populated city of Paraguay. The major part of the population is concentrated here. And it was facing a series of problems that the people from within were moving to the capital. The national government has established in its politics, the development, the formation of development poles. and has carried the management of the capital toward other places of the republic that are in the border zones with other countries. For example, in Carmación, it is on the border with Argentina; el Puerto President Stroessner with Brazil; Juan Caballero with Brazil, Concepción also in the northern zone, and those places in the north-eastern zone that are presently centers of colonization.

Virgili: A de-congestion of the capital has been made, of people who had not had sufficient sources of work here have entered in these zones with a very interesting government program.

But at this moment, the inner immigration can be seen on a major scale among the youth. Upon finishing secondary studies, because with the government of General Stroessner, the schools, colleges, universities have really multiplied. Even roads, have been constructed and bridges that today we have within the republic, before we did not have.

With the segundary schools, the primary schools, everyone now studies. They finish the primary continue to secondary, finish bachelors degree and come to the capital for the university studies. And something notable occurs that the youth, those that finish their university studies do not want to return to the country. They do not want to return to the country , of course, since they find better possibilities in a city like Asunción.

The government, in this moment, is opening schools in all the inner-towns and over all, agricultural schools. And something very notable in these agricultural schools presently, they enroll women also. Which is to say, it is forming elements that are going to remain in the same communities to evade this movement from country to the city. And it is here, also, in this moment, where the cooperatives are entering. As it is giving great support to situating the youth that are enrolled in these agricultural schools as rural assistants, as directors and office assistants (for the job with the agriculturists) the cooperative is also giving its support so that the people remain in the rural section. Remain in their work community and that the youth who are really developing, take a real interest in the land.

On the contrary, we were already very preoccupied with the depopulation of the rural sector. The production continued in the traditional style with the older people but it is making a reformation with the agricultural techniques, that it is receiving. In this way, the cooperative finds personnel, the location and also capable personnel to be able to orient the people in their production.

Virgili: Now, in the capital, we have the so called urban cooperatives, which are, more or less, eleven cooperatives affiliated with our central cooperative. From it, we have one of the educators of the capital, we have the cooperative of doctors with whom we are doing a project that will be very interesting for us. As a type of social security to tend to the health of the members. And this project is doing a study with the cooperative in Medicine, and we believe that in little time, we will be able to pursue ways to better attend to the health of our members.

Also, in this moment, we are with various urban cooperatives that are focusing on obtaining credit for housing. We are working directly with a housing bank. CREDICOOP Avalá, the housing bank is directly granting the credit to the cooperatives and the cooperatives to their members. Various urban cooperatives, or the fact that the creditors that obtain credit from national organisms come very conditioned for agricultural production. For the urban cooperative, they have to be granted from their own backgrounds and since our cooperatives are new, still do not count with sufficient backgrounds to be able to satisfy the requirements of the members.

As a form to solve this it has obtained this job with the housing bank that is granting credit for housing and is looking for financing behind COLAC for artisans who are in the capital or for little business or to form shops, finally it is trying to implement projects to be able to satisfy the requirements for the moment, the necessity to be able to creat job sources and over all, to satisfy the credit necesssities of the urban cooperatives that always in this meeting, present its uneasiness, in a sense. And we have eleven in the capital.

Booth: But, for the woman that has interests in...

Virgili: The woman... you had asked me the question also with respect to the bank, right? Sincerely, it is for the people who have a upper middle class position. The people of limited resources are not able to obtain bank credit. Men as well as women. By the fact that they do not have sufficient guaranteed earnings to offer the bank. On the other hand, the cooperative is able to grant credit

Virgili: because as a cooperative the part that is most admired here is the moral solution of the people. With great facility, the women as well as the men obtain credit from their cooperatives. It also is one of the aspects that attracts the people to presently enroll in the cooperatives. Now the woman is able to have bank credit or whatever woman needs the signature of her husband, if she is married, on the other hand within the cooperative, she does not need it, only the _____ of any other member if she does not have sufficient balance in her savings.

Booth: She can be a member ?

Virgili: She is subject to credit without any restrictions and is obtaining credit at whatever moment, whatever hour for whatever type, to be for a production activity, for balancing her family budget. And after, with much _____ how and they gave back their borrowing.

Booth: To lend money from CREDICOOP, how much does it cost, what is the difference in the bank?

Virgili: CREDICOOP is lending to the cooperatives with an interest of 10% currently, much less than that which the bank grants. And the cooperative, its members of the 12% annually, 1% monthly. And it charges them a commission for work, as naturally, all banks charge commission for operations. They charge a commission of 1 or 2%, not in accordance to the type of operation that is being performed. The bank, in total, with the credit that it is granting, is saving the lenders 18% more or less. On the other hand, the cooperative, with all the commissions reaches 14%.

Booth: And when does the lender have to pay...?

Virgili: In how much time? It depends on the type of loan. For example, the agriculture loans, those products that are annually comercialized have one year and they pay pay them when they are comercialized. On the other hand, the loans that are made to balance the budget or for whatever can be paid monthly in accordance to their situation. They can do in one year or 1 and a half. To buy an agricultural tool or animals, more things carry much more time, 3, 4, 5 years. As to buying land, because we are also in a program to purchase land for our members thus each person has a greater quanitity for their cultivations. We do it at 5 to 10 years in accordance to the situation of each group.

We are also spreading out to Catholic Relieve Service, a type of assistance. It gives us non-reimbursable credit but for those poor people that do not have any way to enroll in a cooperative. It is a very beautiful program because it fulfills our own purpose, I have seen of the work that they present in the conference that cooperativism does not serve the poor people and for those of middle class that are not able to save. Nonetheless, I am not in agreement with this. Because we are looking for a way, and we find it all depends in that there are true leaders, capable of devoting themselves to this cause and able to do something in benefit of those of limited resources. We, as a consequence of this assistance that the Catholic Relieve Services has given us, are getting/touching the poorest people who do not have a way to enter in a cooperative. So, they enroll and later if they are able, if they elevate themselves, then they return it so that with that, we are able to generate other capital, help other people. It a very interesting, a very beautiful form of giving because when we finish helping, when he is in position, then he returns that which he received and we use it with other people and so we begin to incorporate greater number of people of very limited resources.

Booth: You are a senator, were you elected? By your town or...

Virgili: Yes, by my town/my people. I began my job to get to the senate. I began my job as a school teacher, I was acquainting myself from our work in the development of the community of cooperativism, and all of this gave me a foundation so that _____. An elective office and I am presently in the second term. I did the first term in 1973 to 1978 and now I am in the second term that goes until 1983.

Booth: How many women are in...

Virgili: In the Senate? In the parliament . . . our parliament is composed of two legislative houses (chambers): the Senate Chamber and the Representative Chamber. In the Representative Chamber, which is the lower chamber, it is composed of 60 members, of which 40 in this moment, are of the government party, the official party, and 20 are of the opposition. And there is one woman in the government party and another in the opposition. In the Representative Chamber, there are two women. And in the Senate Chamber, we are 30 members, of which 20 are of the government party and 10 are of the opposition. And here, I am the only woman. The only woman.

Booth: And of what party?

Virgili: I am of the COLORADO Party of the government party. Now, within the Latin American Cooperative Movement, and the COLAC council, I was, I am, since 1975 member of the council, I am there as the only woman. Recently, in the last meeting that we had, the administrative council, in February, I believe it was, in December, a female Honduran woman representative came but that which is notable is that within the Latin American Cooperative Movement within the Administrative Council, I was the only woman for various years. And now, recently, there is a Honduran woman that is helping me from within.

(CUT IN TAPE)

Virgili: Enough that manifests his desire and has the moral solvency, is what they really take into account. That it is a honest person, capable of working, of excelling... and nothing more, has a little income quota and later makes a yearly savings

Virgili: commitment; and indicated amount of money. This accomodates the situation of the people. There is a minimal quota which is that which everyone has to save, now whomever wishes to save more can do it. But that amount he has to try to save, with the purpose of which it makes a great endorsement for their credits and also to save and not spend all that they earn.

Translator:

They are saving some money there and so far, they save more money, they can have more credit. The smaller they are saving, so they can borrow only smaller. But in this way, also go to learn them to saving money, because they can in this way go to understand the goodness of saving in this way to get more money and to reach more things. And the people before, they don't know what is to save. They waste the true point, the people more and more to save, to know that with the saving they have many good and the possibility is bigger.

Booth: Have any of these women then gone on to do other things beside what they started out doing in the cooperative. In other words, did they...

Man: The women that saved did other activity a part in the agricultural work.

Booth: To move on... elevate to a higher level.

Virgili: If they work in an activity, if she is a teacher, she has her credit to better her house, to balance her family budget, or if it is agriculture, obtains her credit for her agricultural production. Then, and if she is an artisan, she also has her credit to be able to buy the raw material to produce and later the same cooperative comercializes her products, agricultural as well as artisanry. Then she is improving because one notes this in the atmosphere, they improve their housing, improve their form of living, their nutrition, because also in the seminars they give, that aspect concern them, that part of education is an element of cooperativism. It is a constrant assistance.

Man: Beside the money, they are assisting people.

Booth: And then they might even get into a new... either become a manager or move up...

Man: Yes because in the many field... a teacher is a member of the cooperative the teacher is teacher all the time, but maybe the way she can prove to put better his home if its not too big or too little but to help the cooperative or to make the cooperative grow bigger, and in this way the handicap man, or woman, the rural man the same, are to help them but besides this the money is to cultural improvement.

And all the time want to say to you to participate and communicate this mean meeting together.

Booth: To close... what do you think is the future of the woman in Latin America - in general, in Paraguay, perhaps there is more opportunity to elevate oneself now or where are we this day and where do we have to go...

Virgili: I consider that the woman has accomplished a lot in the latest years in consideration to her civil and political rights. And this is in every country of the world. Now, she is fighting to accomplish better incorporation of the woman in every activity, the development in sight, of every country. I consider that we have all of the open strengths. We do not have any obstacle. (TAPE CHANGE)

Virgili: The woman is the one who should try. Each one should try to lauch forth to accomplish her integration within all type of activity for the development of the country. Because we are not able to wait for the table to be supplied to be already served, we have to fight for that . In that sense, the woman ~~have~~ has to be more dedicated to qualify ourselves and to prepare ourselves for all types of work. Everything depends on us. We have a clear path and it depends on each woman. Now, one has to fight against the prejudices that exist even in the society. And it is not simply to change the male mentality, that at times refuses to accept that the woman is presently participating in whatever type, but we have to change the mentality of our own women. It is here where there is greater resistence. The women are those who have to change

Virgili: the attitude.

I consider that to accomplish this we have to begin in the schools. It is all right that one works with the older people but where one really has to try to now develop the male mentality and the woman's is in the primary school. When they are developing in such a manner, in which they are growing with a new mentality which they take to society without anything forcing them.

Booth: Do the women have the opportunity to go school to the same levels as the men?

Virgili: Yes. They have the same opportunities. There is no discrimination, at least in my country, in Paraguay, during the government of President Stroesner. We, the women have the same opportunities as the men.

And it is notable to see that in the universities, presently, there is the same percentage of women as men, even in the careers which were before considered exclusively for men, like engineering, industrial chemistry, electronical engineering, equally women are in arquitecture, in chemistry, in biochemistry, medicine, in every branch presently, women also have the same chance.

Booth: But in the country, the women and the men are busy with agriculture, in which they do the same thing or the women do one thing and the men another?

Virgili: No, they do the same thing. Now in the field, generally, the men work more in agriculture and the women in the town, for example, artesanry, but there are women who work equally as the men in agriculture. There is no difference. In the credit capacity also, the same in comercialization of the products. Thus, I believe that we have every chance to work, to go forth and at this moment although the world is so conditioned _____ which we say that we are the image of the woman, equality, development and peace. In equality, I believe that we have the opportunities, also of the rights;

Virgili: everything depends on the woman to obtain this equality in every countryside within the nation.

As far as development, I believe that other towns, especially Paraguay, is developing and has given a great extraordinary leap, and the woman has participated greatly. As far as peace, the world is so combustiable but the eyes of humanity have turned once again to the woman. And we believe that as women, we have to carry that equilibrium so that peace and harmony will reign again in the world. I hope we can obtain it.

Booth: Would you please tell her how struck I am by her own.

Man: She says that she is completely moved by the manner in which you say with so much courage...

Booth: But your own life is an inspiration... and it is not only the manner in that you want to help women but help everyone. Also I know that you have a magnificent responsibility and all of your life is dedicated with a purpose.

Mrs. Diana Opondo - Kenya

Mrs. Booth: Diana why don't you just start by filling me in a little bit about your own background and how you got involved in the whole Credit Union movement and really from your own personal experience.

Mrs. Opondo: Thank you ~~Alease~~ Alice. Probably I should start by telling you my background and how I started working with corporatives generally. Originally I was a school teacher and teaching was a bit difficult after I got married when my husband had to be transferred and I had to follow him. So I found it rather sad to leave my students in the middle of lesson and somebody taking on. So I felt I would look for something that is easy you leave and somebody picks up where you left and you don't have any feelings attached to it. The fact that there is a breakdown in continuity, so I took a job with corporatives and I was working as a Field Officer. This was in Nairobi, where we settled in Nairobi. So ~~fast~~ first I got a training into organization of Credit Unions and this training took me to the States and Canada.

Mrs. Booth: What year was that?

Mrs. Opondo: Was in '69 year.

Mrs. Booth: Did you know what a credit union was or what a corporative was before you got that job.

Mrs. Opondo: Well roughly because we have got a few agricultural ~~corporatives~~ cooperatives in Kenya that at that time I knew there were a few ~~corporatives~~ cooperative organizations and I knew there were everywhere whether you were in town or in the villages you would find these ~~corporatives~~ cooperatives. Now when I started working with ~~the corporatives~~ cooperatives at that time there were only very few credit unions. So the idea was just to beginning to take shape in Kenya, so after my training I came back and I worked with the Ministry of ~~Corporatives~~ Cooperatives as ~~Corporative~~ cooperative Officer in charge of Savings and Credit ~~Corporatives~~ Cooperatives Organizations. So our main work during those days was to convince people to form this ~~Corporative~~ cooperative societies, Mainly among the salaried communities in towns and other areas in the rural areas where there were employed groups. After a while

we felt that women form a very in significant part of the corporative structure since they are the ones who are involved in the field working especially in the agricultural cooperatives. So at that same time we started an educational program for women who are mostly wives of members of cooperatives because you will find in most African countries women are not members. And it was at this point that we also started organizing programs that would make women play a more significant role in corporatives by convincing men that they should give women a chance to participate at meetings and when they come to deliver produce to the cooperatives they should not just be treated as workers, maybe who have delivered the crop of the farmers who are their husbands they should also be treated as members because they are part of the family. Now at this time was when I had two sort of main duties: (1) involving myself with these women educational programs and also working with the general cooperative education in trying to organize savings and credit societies.

Mrs. Booth: What was the name of the organization you actually worked for?

Mrs. Opondo: At that time in '69 I was working with the Government as a coop Officer. And then in '70 I changed and joined the cooperative Movement. In Kenya, at that time which was the Kenya National Federation of Corporatives, who at the same time handled the savings and credit coop corporative movement because we hadn't formed the apex of the credit unions. So I was working under the movement as a field officer. After that I got transferred from Nairobi and I was working in a small area of province where that place I was organizing these coop corporatives, not only for people in the town but workers in the rural areas like one in the sugar plantations area just outside (50 miles) out of the city of that small town in Mombasa.

Mrs. Booth: Did you move out of Nairobi then or were you still living in there?

Mrs. Opondo: No, at that time I was transferred from Nairobi to Mombasa, which is headquarters of the coast province. So I worked there for awhile and then I, towards the end of 1973, there was a vacancy in the Regional Office of International Cooperative Alliance in Moshi, Tanzania, which covers Kenya, Uganda, Tanzania, Zambia and of course now it covers more countries in the southern Africa. So I got posted there as a training officer and for 1 year I was mostly doing general training work which comprised of arranging seminar programs for

coop ~~corporat~~ive officials and staff in the region. But in 1976 we started thinking of a special project in the region for women education so by 1977 a section was established in the ICA regional office mainly for coop ~~corporative~~ education for women and I was in charge of that section until I left in 1978.

Booth: Why did you leave?

Opondo: Well, at the time

Booth: Was that still in Tanzania?

Opondo: Yes, that was in Tanzania. At the time I left we had a few difficulties in the Region. It was when the East African community broke down and the then the border between Kenya and Tanzania was closed. So due to personal problems and the distance from home at that time, I decided to go back to Kenya. So I resigned. So when I left at the end of '78 I returned to Kenya, of course at that time I wasn't working for a few months but at the beginning of '79 I got a short assignment with ECA, the African Training and Research Center for Women, in Addis ~~that is~~ to carry out some survey on the involvement of women in coop ~~corporatives~~ in three Arab ~~other~~ countries, which were Egypt, Libia ~~Libya~~ and the Sudan. So that occupied me for the good part of 1979 and at that same time I also did a survey or a study for UNICEF of one of the self-help women groups in Kenya, a bus company. So I would say that that year was also interesting because I did a lot of varied things in different countries and it was quite also educative for me.

BOOTH: Is that the case history that you are going to be discussing tomorrow about the bus company?

OPONDO: That's right.

BOOTH: I see. Why don't you go back to when you first started in the cooperative ~~corporative~~ movement and what you have said a few minutes ago about women not being members and these were women mostly involved agriculture. First of all I've read or heard a lot of about the fact that many women in Africa really play the central role in terms of agricultural development or field work. Is that true, and if that's true what do the men do?

OPONDO: Well let me go back to 1969. At The time when I went to the ~~Sates~~ States for my training in the Credit Union Movement I had, first, the ~~the last~~ opportunity to attend a ~~corpo~~coop rative Congress in Germany organized by the International ~~Corpo~~coop rative Alliance. I was invited by the women's conference and that was the first time I attended a conference just for women of the world. Well, of course at home that idea of women having themselves organized in such a high level, had never really crossed my mind. Of course we had the women's organization in Kenya but in ~~corpo~~coop ratives there was really nothing that was happening to women so when I listen to the discussions and, of course, before I went , since I was working with the ~~corpo~~coop ratives I have done a bit of study and I realize that women didn't play any significant role in the management of ~~corpo~~coop ratives. Although their contribution was quite big in the production and marketing of ~~corpora~~coop tives because they are the ones who are working in the farms and it was really after this Congress that women in developed countries and at this point I want to mention the women in Sweden who felt that they need~~ed~~ to do something to help women in East Africa especially in the ~~cor~~coop porative field. So after the meeting they donated some money to assist us organized some program that would really bring up the women in ~~cor~~coop poratives so that they are not only involved in the production, working in the farms, weeding, harvesting, selecting the produce, grading and taking it to the ~~cor~~coop porative for marketing and then their part ends there because if it is the man who is the member he is the one who attends the meeting and the man is the one who gets the proceeds from the produce and women really didn't know what a ~~corpo~~coop rative was. To them it was just probably a place or store where they delivered the produce and that was all. Now we felt that because their contribution was very important to the ~~corpora~~coop tive movement. In Kenya and in many developing countries ~~swear~~ where agriculture form~~is~~ the ~~best~~ basis of economy because you will find that men usually go to the urban areas to work, to seek employment opportunities but at home they leave their wives and children and all their relatives. These are the people who ~~attend~~ Tend to the farms, look after the produce.

BOOTH: Do they own their own farms?

OPONDO: Yes, they own their own farms. You will find this in most African countries, especially

BOOTH: How big are they?

OPONDO: I beg your pardon.

BOOTH: How big are the farms?

OPONDO: Oh, these are small holdings, family land. It depends according~~ly~~ to the population of the area. Some parts you may find a family owning something like three-four acres but in the other parts it may be less or more depending on the population, concentration in the area.

BOOTH: But they generally grow enough to also ~~keep~~ feed themselves and sell some.

OPONDO: Yes this is normally the practice and this is normally what happens. Although in some areas you may find the marginal agricultural areas people may only be able to produce enough food to eat and they may not have surplus to sell. But in the highlands of Kenya and maybe other East African countries where agriculture is concentrated and where they grow cash crops like coffee, ~~pyrethrum~~ pyrethrin, or in the low areas where they grow sugarcane you find that some these cash crops are mainly for marketing and they may only consume a small portion of it, if it is food; but if it is something like ~~pyrethrum~~ pyrethrin, they all sell it or sugarcane. ~~Pyrethrum~~ Pyrethrin is a plant from which they make insecticide. And this is grown in highlands of Kenya, in the cold parts. It has a little flower and when it is processed it is used for making this insecticide. So this is one of the cash crops but you find that even in the food crops like maize, ground nuts, maybe beans and fruit, vegetables women are really involved, and some of them do even have their own plots where they can grow some these food crops and if they are able to grown more than they can consume in the family, they usually sell it. And we realize that after women probably in a group had joined and ~~walked~~ worked together sometimes

they would even own a plot of land jointly and grow some food there for selling so that they can get cash ~~for~~ from it. In this way they were able to get a little from the produce for their own use.

BOOTH: So there was a point there where you felt that it was necessary to educate women to organize within the corporatives or to at least become members on their own. How did you get the men to agree to that?

OPONDO: Well it is something that comes with (how do I say it) I think we have to persuade the man to see the point. Many of them see it they know that it is the women that look after the family land. Together ~~we~~ with probably, the older people who can't go and work in the urban centers, but the younger people who are going to school and the men who are working in big cities ~~they are~~ their part is _____ mainly that they are members and their names are in register ~~over~~ of the ~~corporative~~ coop. So, ~~he~~ we first of all told them that here you are a member of this ~~corporative~~ coop and it is really your wife who is doing the work on your behalf. How about her getting involve to the extent that she can attend the meetings and bring back to you, at home, of course you are not there the information from the ~~corporatives~~ coop and in that way she will be able to participate in the meetings to the extent that if there is anything that she feels as a farmer that needs to be done to assist her produce more she can do it on your behalf since you can't attend all the meetings. Now when you put it like that, of course everybody will agree that it is a good idea until it comes to the question of money. But even that problem was solved because when we started in "69 it was very rare to find women who would go to the ~~corporative~~ coop and they would be given the money belonging to their husbands who were members. But I think the ~~corporative~~ coop movement in Kenya has also streamlined this to the extent that each member is being paid through his account in the ~~corporative~~ coop. They don't receive cash as they used to do before for various reasons. So ~~they have~~ many families have found it ~~very~~ convenient to allow the wife to operate the account in the society. So

that she is able to even improve on the quality of produce. She is able to use the money to develop the family land and in this way she is also able to get access to the money to use for the family. Now that is one aspect of this involvement of women that has really materialized in the agricultural areas. But we still can't say that we have achieved our goals very much as far as involvement of women in management of coop ratives is concerned. Because despite the fact that the number of women employees in coop ratives has gone up they still hold the lower clerical jobs and you may find a very few cashiers, bookkeepers or even managers who are women. There are several who are holding lower jobs where as the men are the managers, secretaries, and the treasurers of big coop tives. So we still feel that there is room for educating and training the women because these are technical jobs which they can't just do without getting the training first. Of course, women have also worked very hard. Some of the few who have started as clerks have worked their way up to the extent that they have been promoted to higher posts through the training provided in the local cooperative training institutions. But we still feel that they need to be given encouragement because when I was working with International coop rative Alliance we organized several training programs for women with the view of making them educators so as to go grassroots levels and educate other women who have now been enlighten to know what a coop rative is. Many women now in the rural areas consider their coop rative as their property because they just don't look at it as a store where they used to deliver produce. They know it as a coop rative society belonging to them. Now the limitation comes to the question of them getting more information about their coop rative because most of our rural women are illiterate and they can't read the information provided by the coop ratives. So we thought if we trained a few women from these coop rative unions they would go back and be made education secretaries to carry out education work in the coop ratives. And being women they would spend more time trying to assist

the women members. But this did not materialize very well because most of these women we trained went back and just did the jobs they were doing before in the office. The society is giving the excuse as having no funds to employ them in this field of education though they realize that education in coop~~corpo~~ratives is very important. Members need to be enlightened. I'll take an example of a coffee coop~~corpo~~rative. You see coffee coop~~corpo~~ratives need a lot of information to be passed on to members. First they need to get involved with the members when the crop is still in the fields. There are certain things that must be done to ensure that they get a first degree quality of coffee and this information must reach the members(of course the men get the information but it is the women who will working in these fields so we feel that the women need to be told exactly what they need to do so that the quality of their coffee is high. Even when coffee is picked from the tree it has to be handled in a special way to maintain that high quality and up to that time when it is delivered to the coop~~corpo~~rative. So after that there are also ~~the only~~ differences is in prices every year. And members need to know what to expect. So the societies ~~society~~ also need to keep members informed about these things. And on top of that they need also to know how the coop~~corpo~~rative functions so ~~if~~ we have been told that in this kind ~~type~~ of societies ~~society~~ the education section has got a lot of work to do because they have to inform members because some coop~~corpo~~ratives have got even up to 2,000 members living in various parts of that locality. So it is an area where we feel women who are really the farmers in the field need to get the benefit of these coop~~corpo~~ratives education and in this way we also hope the influence from these societies ~~society~~ especially the coffee societies would be seen by eventually having some of these women who are working in the field joining societies to the extent that they become even members of the committees. But this can only happen when the society officials who

are men and their husbands are convinced that the women should be given the opportunity to play this role because if the husband says that he is the member and the women will only work on the farm as his wife and the membership will not be changed well the women will not have the opportunity to participate in the bigger capacity, in a moral capacity than just delivering produce to the coop ~~corpo~~rative. But if the man agrees and this has been discussed in most of our seminars in principle ~~this~~ it was agreed that there would be dual membership if ~~it~~ the man is the member he should allow his wife to operate and become a member of this coop ~~corpo~~rative to the extent that she is able to be be elected in a committee if she is capable ~~caple~~ of becoming a member of the committee. So. we feel that in the agricultural field there is still a long way to go but we have got ~~worked~~ various kinds of coop ~~corpo~~ratives. We have, on top of the agricultural coop ~~corpora~~tive, ~~we ha~~ve the savings and credit coop ~~corpo~~ratives where this problem does not exist. Each member enrolls on their own right whether they are men or women, they are treated equally. A husband and wife can both be a member of a ~~over~~ savings and credit coop ~~corpo~~rative~~s~~. And it is in these coop ~~corpo~~ratives that women have been able to even become chairman or president of these ~~this~~ coop ~~corpora~~tives if they participated in all the meetings and the other members accepted their ability to lead.

BOOTH To the agriculture ~~corporatives~~ coop for a minute or two. I was curious, once the women become members and you say they become more aware they then start to participate and to improve their productive capacities in kind of expand on what they are doing. How does that happen, is someone teaching them or do they see it as a ~~corporative~~ coop support of an improving their production, how does that work?

OPONDO Well, you see after this initial educational seminar~~s~~ that we organize for a few women and they were informed for the first time that ~~this~~ these ~~corporatives~~ coop are to help them, ~~they~~ these cooperatives are supposed to be the property of the members, then they looked at them in a different way and I think it also had a multiplying effect ~~but~~ that they went back and told their fellow women what they learned from the seminars and it created an awareness in them that to the extent that they were more interested in anything that was organized by the ~~corporatives~~ coop. And information on how to improve quality. This one is given by the agricultural extension workers but they work through the ~~corporatives~~ coop forum. So when the ~~corporative~~ coop called a meeting for members and they said on this occasion there'll be information on how to control the disease of this kind of crop or how to improve your quality or how to improve things generally in the farms. Then they took more interest and a few of those who took part in the programs went back and informed their fellow women and this is how we feel the idea was really spread to the other members of ~~corporatives~~ coop. But on the other side I would also like to say that we have got the other, of course in the districts we've got the ~~corporative~~ coop structure down to the grassroots level and there is the government ~~also~~ education system that carries educational programs for general memberships of ~~corporatives~~ coop. And with ~~this~~ these programs they reach all the members, and after this idea had spread even to the women whenever anybody organized any program that was connected with the production system something that was involving their improving the quality of their produce women were interested to come up.

And this interest is still being seen even in areas where we have been able to conduct these seminars. Women want to do other things by trying to improve their economic ~~sought~~ sort of background, their economic situation, especially in the marginal areas where agriculture is not a full-time ~~sought~~ sort of job for women. If they have attended our seminars they want to really get involved and they want to be part and ~~parcell~~ parcel of the ~~corporative~~ coop system. Now if they find that they can't do other things like growing vegetables which would enable them to get involved in the existing ~~corporative~~ coop they ~~will~~ would want to do something else so they always ask for information on some help they can get to get them started on some income-generating activity.

BOOTH What do you tell them?

OPONDO Well, it was when this question came up the question of developing handicraft and small-scale industries was discussed because this is something that was already existing. These women who live in the rural areas some of them live in the areas where they get raw materials to make some handicraft articles like baskets and other things. So we have tried to encourage them to organize these activities on a more economic ~~sought~~ sort of level by improving the quality , though in some areas the problem of marketing has been experienced but we have got various agencies in the country that are handling marketing. Some are being done by the ~~corporatives~~ coop and some by the women groups themselves.

BOOTH You mean the women are organized themselves not necessarily in the ~~corporatives~~ coop sought by women groups , what are you talking about?

OPONDO Yes, they organize themselves in groups in different groups. But there are also a few ~~corporatives~~ coop that are mainly for handicraft producers. And I think a few that are for women. The big ones are for men. And these ones also assist women in marketing their produce. And I think the ~~epics~~ apex the ~~corporative~~ coop ~~epics~~ apex organization in Kenya has also been doing quite a bit of work in trying to market the produce for the women who are producing handicrafts through

their ~~corporatives~~ coop

BOOTH Do they need money to have this kind of a business, and if so can we get into savings and credit associations?

OPONDO: Well they need money to buy the raw materials and also it depends on what they are producing. There are some lines that ~~might~~ may need simple machines to enable them to produce the articles and in this respect they would need money .

BOOTH Where do they get it?

OPONDO Well, at the moment there is one handicraft ~~term~~ ~~corporative~~ coop for women in Nairobi. This was set up by the women's organization in Kenya, Maendeleo ??. And this organization has been helping a lot in marketing the handicraft that is produced by women. But the small producers who are women in the villages most of them work on their own, work in their houses. So in this respect ~~as~~ as producers, they really don't have a source for getting any income at all. But if they are organized as a ~~corporative~~ coop at the grassroots, it would probably be easier for them to get normal loans from the ~~corporative~~ coop bank which I think this ~~corporative~~ coop in Nairobi has benefited from, I am not very sure, but I think if they needed any finances they would qualify to get money from the ~~corporative~~ coop bank. ~~But~~ For the single producer alone at home, it would be a bit difficult unless they were also organized as a ~~corporative~~ coop. I know a few groups have got assistance from various sources. These are some other voluntary organizations. And even from the Women's Bureau which is also a government agency handling women's programs and a few probably from ~~really~~ religious ~~just~~ organizations like the National Christian Council of Kenya is handling a lot of handicraft groups, which are not ~~corporatives~~ coop but most of their groups are quite well organized and I think they even give them credit and they also assist them with marketing and training which is very important

for ~~politic~~ quality control.

BOOTH: Were these ~~to suppose to be~~ women making baskets?

OPONDO: Oh well they make various things, some make pots, and using clay pots and now that you mention that, some even make clothes, there are some groups that are ~~even~~ making dresses , some groups make things in the houses like tablemats, toys, and ~~bean~~ beed work. ~~Bean~~ Beed work is quite well scattered in the country. Quite a lot of groups make it because it is one the traditional crafts.

BOOTH: But the money that they earn goes directly to them or is there a middle man type person who sells it and then actually gets most of the profit and pays them a pittance for their labor or are we more advanced in Kenya than that.

OPONDO Well, as somebody was saying in one of the meetings I attended, you can't really get rid of the middlemen, even if you are well organized they will still find somebody that they can get at. Especially when it comes to marketing. Although we have got ~~this~~ these well organized marketing groups like the Mandalao ~~Corporative~~ Coop and the National Christian Council of Kenya we still have private shops that sell handicrafts in Kenya, all over the country, ~~and~~ in various towns. And some of these producers also have their own markets their own shops, but it can't handle everything. ~~You still have to~~ Well as I have said there are few of these groups that have got their own shops and those who don't have anyway of marketing their handicrafts have to sell them to their middlemen or they will go to these shops,privately-owned shops,and sell their products. And this is where I think they are really ~~explosive~~ exploited because the shop owner will pay them what he thinks he can pay them and whether they make any profit out of it or ~~not~~ is really not his interest. And if there was some a case where the producer had a say whenever they sell

these to anybody then probably they would get profit out what they are making. For example, if you go around some of our cities you will find street vendors, mostly women, selling handicrafts and at the same time they are still making some they are producing there where they are selling. Now these ones you would imagine probably when they have made it they would sell it with the others but then there are those who make things in their own houses who don't have the time to go and sit and sell in the streets. So the ones who produce at home will have to sell it for whatever price is offered because they need the money when the article is finished. And this also comes to the question of knowledge ~~of~~ about business . Some of these producers may not know that they are losing money because probably if they made, let's say if they are making a basket and probably they brought raw materials sometime, probably about two weeks ago and they have been working on the article for several hours and it is finished they don't even put into account the time taken in producing this. They may only think only of how much they paid two weeks ago for the raw materials and maybe just add a little to get them back their money and something very little on top. So ~~this~~ these individual producers, one would say, are the ones ~~that~~ really who need to be helped and it is not easy unless they are organized into formal groups that would work together then somebody would really teach them how to price their goods and that will also go with the quality if the quality is high then they can get good price.

BOOTH: But right now there aren't ~~corpora~~ coop tives doing that?

OPONDO: Well, at the moment I really don't know ~~where~~ whether the ~~corp~~ coop oratives have gone into ~~their~~ the field of trying to organize the producers but what I know is that there already are groups of producers working in the field who may choose to become ~~corpo~~ coop rative or may choose to work as an informal group.

BOOTH: What about the credit unions themselves? You were starting to say that it was different, that ~~but~~ the credit unions automatically permit the membership of man and women. In other words, if you have ~~got~~ a dollar you can join. You know it does not matter whether ~~if you~~ are a man or woman, and the question is whether women have access to money the way men do and can then participate?

OPONDO: Well this is an area as you have said where women can participate fully and equally with men because if you have got your share then you are a full member. But the limitations comes to the question of ~~as to~~ how many women get access to cash, to money. If you look at the employed women, most of them have enjoyed the facilities and where they have a coop ~~corpo~~rative at their working place , they have become members. Originally, when I started ~~working~~ organizing credit unions , women were ~~was~~ still a bit not so forthcoming in becoming members but after seeing the effect and ~~on~~ the benefit of joining and becoming members many of them joined and at the moment they are very happy because that is one area that has really given them some of the opportunities they have not been able to have before. Even access to credit which is not an easy thing for a woman in most of the developing countries and in Kenya. Women have been able to borrow money, and do a few things in the home, and start small businesses through loans they have taken from their coop ~~corpo~~rative credit society.

BOOTH: Is a ~~Do~~ credit union generally, when you say they are employed does that mean that they work in a school or they work in a something or another and there is a credit union there for them to join or what about women who are self-employed?

OPONDO: Well women who are self-employed at the moment they ~~there~~ are really not members of one coop ~~corpo~~rative. I really have no idea ~~what~~ of a group like that, but that is one area that could be organized, especially for women who are working in a area like in the market, of course now there ~~they~~ are quite number of women who own

BOOTH: ~~gradually expel~~ who actually sell at the market? _____.

OUONDO: That's right.

BOOTH: Were they women who also produced the food that was sold.

OPONDO: No, these are just the ones who sell the food. They just buy it from the wholesale market and they come and sell it. But there is another group in the rural areas that could easily form savings and credit ~~carp~~ coop oratives. These are the women who work on the farms. Several women could join together and form a working group, they are called usually self-help groups and they go and work in big farms or in somebody else's farm for money, and the money they get they save together.

BOOTH: Umm, now is that a credit union? What is that called?

OPONDO: Well these are just savings groups and most of them are called in Kenya 'Mabati' groups.

BOOTH: How do you spell that?

OPONDO: Mabati. Now 'Mabati' means, iron roofs. Mabati is iron sheets that are used in Kenya for putting up roofs. Now this is an improvement ~~over~~ of housing that has been undertaken by women in the rural areas. They work as a group, the money they earn they save until it is enough to put an iron roof or Mabati roof on one of the member's house and go around like that until all the members ~~houses~~ have improved their houses. Now this idea started many years ago in Kenya, and it has spread all over the country and as a result of these Mabati groups other women have got together working like that saving money for various activities not necessarily for improvement of homes probably if they are in a place where they have got better houses then they will look for something else to do with the money that they have saved.

BOOTH: Do they borrow from this fund, do they also have credit? Is that different?

Opondo: With this groups. Really, these groups, they just save together. And then once they have saved enough, I think they put a sort of standard rate for every member to save. Now, when that has been done and they have got a target, if it is for improving the houses, then they say we are ten women in this group. What we want is to have iron roofs on our houses, so we'll work until every one of us, ten of us, have improved her house. So this goes around and of course it is the same amount which is given to every woman.

Booth: And every woman contributes the same amount.

Opondo: Yes, the same amount.

Booth: So, I could do that by myself. I don't need you to do that with me. Is it just that you're giving me an incentive to do it?

Opondo: Well, if you were doing it on your own it would take you so many quite long. But if you are working in a group for example, you may work maybe for a day or two and its enough to give one person a new roof. And then probably after another month you are able to do

Booth: So every body gets their turn.

Opondo: Yes, gets their turn and is faster than working alone. And of course if you are working alone you may not have incentive to save, you may have other things you want to do, and you know the group spirit will keep you together to want to reach that goal which you've set.

Booth: And then you know you're going to spend it on your roof, rather than blowing it and whatever at the market on an extra banana or something.

Opondo: Yes, that's right.

Booth: I know I'm always doing that. But that could sort of be extended and become a credit union, but it hasn't yet. Where are the credit unions primarily.?

Opondo: Well, the credit unions in Kenya.....

Booth: Do you call it credit unions?

Opondo: Oh well we call it the Savings and Credit Cooperatives. In Kenya the policy of government was to establish them in the working areas. In factories, in industries ~~in the streets~~, in government offices, and other private sector where people work together in a company. And the reason why this was necessary was to really find a way of having sort of a compulsory saving initially by deducting money at source, well ~~where~~ a person, a member has to sign himself or herself that he or she wants to save so much every month. But there is a rule also that once he signs to save like that and he borrows money from the cooperative that deduction has to continue until the loan is repayed. So in this way the government felt that it was easier to get these cooperatives working in this way. Because I think it was a result of an experience before the Savings and Credit Unions were started that many cooperatives of this nature did not succeed because members borrowed and they didn't find it easy to repay ~~pay.~~

Booth: How many women members are there in the credit unions, do you know?

Opondo: Well, the percentage is still small. We really don't have the statistics, but I would say probably they form ~~there's from~~ about 30%.

Booth: But they are mostly in urban areas?

Opondo: These are mostly urban areas. That's where we have most of the Savings and Credit Cooperatives.

Booth: Now, have ~~we~~ women used ~~this~~ these for income-generating endeavors, or is it mostly just for saving and borrowing for their home or whatever?

Opondo: Well, it is being used in various ways. You find a few women who want to set up businesses and come and borrow from their societies. There are a few who want to have their own homes, who want to buy properties in urban areas. They come and borrow money from their cooperatives to go ~~out~~ and pay deposits for the houses and a few women come and borrow for family use, for education - ~~this~~ which is also an investment in the children. Some of them ~~go and~~ borrow to buy land, which is also an investment. And some of them who have got land also borrow probably to improve the land by putting in some crops and things like that.

Booth: Is that what you do?

Opondo: Well, no. In my case it was different. Would you like me to say? (laughter)

Booth: Sure, how did you get your farm? Have you ever borrowed?

Opondo: Yes, I've borrowed from my cooperative more than once to make improvements on my farm. I wanted to plow and plant more sugar cane and this needed cash, so I went to my society and got assistance.

Booth: Do you have any examples of women who have started their own businesses in Kenya?

Opondo: Yes, there are several women in Niarobi, especially who have started ~~very~~ various businesses having ~~stock~~ stalls in the markets. And a few have opened up coffee houses and dress shops using money they borrowed from their cooperatives.

Booth: Would they have trouble getting money from a bank?

Opondo: Well, the banks have no discrimination as such. There is no regulation that stops them from giving loans to women, but as I was told by one of the bankers who is a woman, she thinks that the limitation in women getting credit is purely prejudice ~~in~~ on the man's side, because most of the ~~money is given out men~~ managers are men, and probably ~~they~~ don't consider the women to be credit-worthy or something like that, so they would hesitate to give a loan ~~credit~~ to a woman unless a husband (Side A tape ended here).....

Booth: Tell me a little bit more about, you said that women who form a cooperative can get money from a cooperative bank. What's the cooperative bank. We didn't talk about that.

Opondo: Well, in Kenya we have got the cooperative bank which is ~~the~~ a bank mainly set up to assist in giving credit to the cooperative movement. So, all the registered cooperative societies in the country are qualified to get credit from this bank. Of course, the bank also ~~have~~ has its credit regulations. There are some conditions you must fulfill in order to be able to get a loan. So if women from their cooperatives and they wanted a loan from a cooperative bank, they would just be treated like any other cooperative. A ~~Christian~~ question wouldn't arise here of them being women group or a women cooperative if they had been registered as a cooperative, then that

Booth: Do you know what the criteria are?

Opondo: Well, the bank would want to know, I think, I'm not sure, but I think the bank would want to know whether the cooperative ~~was~~ is viable. If they give them the money, would they use it in a productive way that would make it easy for them to repay that loan. I think once the bank is assured that the money would be repayed there would be no problem.

Booth: Would the money then go to the cooperatives, not to the individual women?

Opondo: The money would then go to the cooperative and then the cooperative would give the money to the members. It depends on the kind of production line.

Booth: So an individual whose a member of a cooperative couldn't go to a bank and just get money for herself.

Opondo: No, no, no. It's the cooperative that goes to the bank and gets the money for the members.

Booth: I see. O.K. We talked for just a minute about the attitudinal change but you were saying essentially it's not necessarily the laws, it's the attitudes of people, particularly the men in terms of - well, as you said, in terms of the agriculture for example. Why don't you just go over that for a minute.

Opondo: Yes, this question of man or women changing their attitudes toward women participation in development generally was really discussed at length when we started with our educational programs. We wanted to know why women were out, let's say in the cooperative movement. So, the law was examined. Strictly speaking, the law doesn't really exclude women. It says anybody who owns land. And that's why it came to the question of men owning land and women not being really owners of land. But then we wondered where the changing the rules and probably wording it differently would improve women participation in cooperatives. And we found that was not the beginning and the end of the problem. Maybe that was just one aspect of it. And we felt that it was important that the attitude of people, both men and women, need to be changed so that they can see that their is really a need for change. If men are convinced that women need to be integrated into cooperatives ~~in development and~~

development, they will work toward this. And if women themselves also understand that they have a role to play and they need to get involved, then it will be easier to get them involved. For example, you can't just change the rules and expect automatically that everybody will change with it. You may change the rules, but to get it in practice you have to understand it. That's why we felt the educational aspect

Booth: But are you educating both men and women?

Opondo: Yes, this educational aspect needs to include both men and women. Women need to be educated and motivated, but they need to take an active role in cooperatives. Men also need to understand that they need to encourage the women participation because they are the ones who are the policy makers. Well, if they are not convinced, it means the policies will not really favor women participation. So this is why we feel that we need to have both men and women have their attitude change towards, changed in a positive way so that it makes it easier for women participation.

Booth: How do you sell men on seeing that women should not only play a role, but also actually have a piece of the economic pie? I hate using that jargon, but how do you really sell them on it. Is it to their ultimate benefit that this occur, or isn't it?

Opondo: Well, this is a difficult problem, because it is something that has to be discussed in the homes, agreed upon and we also at the same time agree that we don't want to upset, because if we became too revolutionary and adament about it probably this would not be good for the homes. So the best way we thought was to discuss this at the society level and let the officials of the societies handle it with their members, in a positive way. For example, just give them an example of a man who is working 200 miles away from home and the wife and children are in the home looking after the land. It may be a question of just the money they need for their basic needs and they can't

Opondo: get access to it, although it is just a few minutes walk away from them because the man is away 200 miles away, so if you tackle it a way that convinces them the man may feel that rather than every time make a trip here to withdraw money and give to the wife, why not let her have access to the account which will still be controlled by both of them. The man can come and withdraw, the woman can do the same, so that it is easy for the family to live on the farm and also develop the farm without him having to come every now and again. It has been reported to me in many societies that this is working and it is an agreement that has been reached in the families.

Booth: This is going to be the last question. You said that there are women who are now forming their own businesses. You've seen in Nairobi and dress shops, and markets and so on that there are more women. Are you generally encouraged about women becoming integrated into the economic system of your country? Or are we just sort of a drop in the bucket still?

Opondo: Well, but comparison probably the part they are playing may not be very big. As I say, I don't have statistics, but in practice you can see that there are more shops being run by women. When you go to the market there are more stores that belong to women and generally you see women running businesses that they were not able to run before. Of course, this is a general trend in the country. This feeling of, I would call it a feeling of competition, among the women. They want to be economically independent sort of. They want to have businesses that will bring them income. So many of them are trying various fields of businesses and I think they are also able to get credit to a certain extent. I know in some cases, like in the building societies, they won't give a woman a loan without a man guaranteeing, but in the commercial banks and other institutions if they have security I think they can be given a loan on their own to run their own business.

Booth: But in the housing societies - what's that? You mean cooperatives?

Opondo: It's the building society. I think their laws are such that a man has to guarantee a woman to be able to get a loan. But ~~this~~ it's societies there, in fact, women don't like it. But they can get ~~one~~ loan in other commercial banks where there are no restrictions, they can get loans in other institutions, where there is no restriction. In the Agricultural Finance Corporations there is no restriction. Actually, in general there is really no legal restriction that keep women from getting credit except in one institution that I've mentioned. But in general they can get their loans from anywhere as long as they have ~~good~~ got the security.

Booth: Finally, the woman I just interviewed ~~the (Sena daughter?)~~ La Senadora from Paraguay (?) said that the real problem was with the attitudes of the women not the men. Is that true in Kenya? She said that the real problem was the attitudes of the women not the men.

Opondo: In what way?

Booth: Well, that they aren't motivated, that they're afraid of changing.

Opondo: Well, this depends on I think the society. There are some societies that are so rigid, that change is really not accepted easily. But I think from my background, from East Africa, this is not the problem. Of course there are other areas that women still consider is purely a male area, but I don't think in economic line women are afraid to come in, so long as they feel they can do it.

Booth: What in just 30 words - what is the - you're going to have a case history that you're going to talk about tomorrow - a case study of women buying a bus company. Could you just tell me in 30 seconds just what that is?

Opondo: Well, this is a group of women who joined together and collected money over years to buy a bus because of the problems they were experiencing.

Opondo: Transportation problems in their village. So they bought a bus which they operated as a transport company.

Booth: Profit making trips?

Opondo: Yes, of course they made profit, and the profit they got from that bus helped them to buy a second bus after the first bus got old and was not able to do the business anymore, they bought the second bus from the proceeds ~~from~~ of the first bus and did other things through the efforts derived from the bus. But this group started out of sheer necessity because at the time they considered buying a bus initially the transport system in the area was not very efficient and they had a lot of problems with transportation.

Booth: Where did they get the money?

Opondo: The money they just got from their own efforts. They would meet once a month, to raise funds. If you don't have money, then you can bring anything you have - produce - anything you can bring to sell and get money out of it. They were selling some things for even 50¢; they brought fruits, or eggs, ~~of~~ or maize, whatever they could bring from home. Of course this area is one of the marginal agricultural areas in Kenya. It is in Coast Provence in Taita district. Of course it is at the foot of the hills. It's at the foot of the hills where it is quite dry and the rainfall is quite minimum. So they bought this bus and did the business with it for about 4 years. Then ~~went~~ when it got old, they ~~into~~ bought the second one, which they just put on the road a few months ago. But they are also having problems. They had to borrow money to buy the first bus, and again they had to borrow money to buy the second bus. But when they bought the second bus the prices were so high that their meager efforts were not really able to fully cover the cost of the deposit required by the bank. So we are in touch with them. Although the bus is

Opondo: running and they hope they will be able to repay the loan in the specified period, but they are experiencing a bit of a problem because of the drought. So they are not having enough crops at home to go out and sell and meet their ~~monetary~~ monthly demands which is now higher than before.

Booth: Do they charge for bus rides?

Opondo: They do, and they also increased their prices accordingly - and you know everything's going up. The cost of ~~Petro~~ petrole just went up recently in Kenya and they're hit by all this. But they are determined to work hard and I hope some international organization will come to their aid. I'm mentioning this because their fame has gone all over the world. I was really thrilled to see their name mentioned by Barbara in that document she wrote down so it means...

Booth: Somebodies hearing about it.

Opondo: Yes, everybody who has visited the place has been impressed and has written about it. In fact at the time I did the survey somebody else from the states, a lady, had already written another story about them.

Booth: but they'd like to make enough money to have sort of a income generation rather than just pay for the bus.

Opondo: You see, this should be the ultimate goal. They should be able to earn money enough to be able to use at home and also set up other businesses. Because that is what they want to do, but I think at the moment they have got this problem.

Booth: What about the African Development Bank? Can they do anything?

Opondo: The African Development Bank is interested in probably bigger investments. But we need some sort of financial institution that will think of these small groups, like the one we are discussing. You see, apart from getting loan to buy the bus from -

Booth: There is no revolving fund or anything like that?

Opondo: Well, we still don't have anything like that. They only rely on assistance the Ministry of Social Services - the women's bureau has given them a lot of help. Of course, they have given many women's groups help, but I think with this group as I will say during my presentation what they need is not the financial assistance alone. I think they need also technical assistance so that somebody can go and advise them on how to run their business properly.

Booth: Yes, that's one of the problems.

Opondo: Yes.

Booth: Well,

Interviewer: Alice Booth: and to Theresa Chung-Nim Min Kim from Korea.

Booth: Hello, why don't you just tell me your name so that it's pronounced correctly and tell me about your organization. O.K.?

Kim: Yes, my name is Theresa Chung-~~Nim~~ Min Kim.

Booth: And you are from?

Kim: I'm from small town called ~~Helem~~ Hallim located in rural area on Cheju Island, ~~of~~ a province of ~~M~~ most souther part of Republic of Korea and I'm recently involved in ~~#~~ pig producers Co-ops. So there are 15 members in the co-op. One membership ~~as~~ is a family. The reason we formed the co-op is that in order to meet ?_____ through democratically governed participatory decision making organization.

Booth: You are a pig producer?

Kim : Yes just I became a producer. Because I'm one of the _____ members of the coop. Otherwise I cannot be a member of the co-op.

Booth: Now is it your family that is a member or only you?

Kim : Only me because I'm not married.

Booth: Do you have your own farm?

Kim: Yes, my own pig farm.

Booth: Pig farm, how many pigs do you have?

Kim: Just less that 250 pigs.

Booth: Until recently you had the farm but you didn't have a cooperative is that right? When was the cooperative formed?

Kim: Last November.

Booth: Were you involved in cooperatives before that?

KIM: Yes, I've been involved in credit unions. It's that kind of credit cooperative.

Booth: What was your involvement in the credit union?

Kim: Since 1962 as the manager and President of the primary s[illegible] and Chairman of the Chapter and also as a member of the Board of Directors of the Nation Credit Union Federation of South Korea for about more than 17 years.

Booth: Did you get into that originally because you became a member of a Credit Union?

Kim: Yes, but before that I had been I thought I had to do something with the rural people whom I'm always concerned about, so I found out about the institution of the Credit Union could be a function I realized to ~~conform~~ perform my idea into reality.

Booth: Now, you said this was in the same town or in the rural area where you are from?

Kim: Yes I started in same town.

Booth: Why do people there need Credit Union?

Kim : Because they haven't enough security to have credit whenever they needed.

Booth: They were farmers?

Kim: No not only farmers. They were wage earners and small merchants ~~but~~ and daily labors and farmers and students; ~~womans and mans;~~ women and men from the elders to children.

Booth: So the people in this town could not get credit from a bank? Were there banks there?

Kim: There are banks. And Agricultural Cooperatives too.

Booth: But they didn't have the security or collatoral or whatever to secure loans.

Kim: They need to have credit unions.

Booth: So you helped them organize the credit unions?

Kim: Yes. Not only that Halem Credit Union, but I organized more than 35 credit unions in the Island - in that Provence.

Booth: Did the organization of the credit unions change the lives of those people?

Kim: Yes, in a sense. Also the credit union makes the people there they can do something for themselves. In other words, they can help themselves through mutual support.

Booth: Now were there women as well as men in the credit unions?

Kim: You mean the number of memberships?

Booth: Yes.

Kim: Yes, almost similar number of them. Half and half.

Booth: Were the women business owners too, or were they housewives?

Kim: Yes, housewives and ~~the~~ wage earners and a few business ~~woman's~~ women too.

Booth: Was there any difference between the access to credit of the women as opposed to the men?

Kim: No difference.

Booth: Either could get it?

Kim: No difference in credit union.

Booth: So it was equal.

Kim: Yes.

Booth: So were you also a pig producer in those days, or is this a new career for you?

Kim: I started last year. Just when we were organizing the cooperative ~~co-op~~ I started.

Booth: Your own pig farm?

Booth: Is that what you call it - a farm?

Kim: Pig farming - yes.

Booth: So you went into business for yourself?

Kim: Yes, but this is - the business. In other words, business but the cooperative way of business.

Booth: What's the difference?

Kim: The difference is the 15 members are raising pigs up to average 40 kilogram of live weight. Then co-op will collect those pigs from ~~them~~ members and put them into the co-op fattening house. Then co-op will raise the pigs up to 80 kilograms of live weight. Then afterwards co-op sell them for members.

Booth: Who do you sell them to?

Kim: The marketing system in this aspect has not been developed. So far we sell them to the middle man.

Booth: What would you like to do?

Kim: We'd like to do someday the manufacture. We'd like to manufacture the pig products someday, then sell to the store.

Booth: For example, pork. You mean meat products? Ham and things like that. Really good stuff.

Kim: Then that will help also consumers too. The consumers who buy the pork.

Booth: Would help them because they would get it for less?

Kim: Because without middle man, they could buy at reasonable price.

Booth: How many women are in this co-op?

Kim: So far just one.

Booth: How many degrees do you have? You have one degree, two degrees. Just one? You studied business administration too.

Booth: So do the other pig producers have college education?

Kim: Yes, they just quit. Did not finish college. They finished mostly high school.

Booth: What was the question that somebody asked you in French today at the meeting. Do you know?

Kim: The question was how they ~~guarantee~~ quarantine the pigs when something happens to the pigs. That means there's some dead. Some diseases.

Booth? How do they ~~guaranty~~ quarantine them?

Kim: How the remedy - what is it called. One pig is sick. How do we make them better or insure them. So I said it is not necessary for pig farming, for the toning period of pig farming is rather short than other livestock, because this toning period of pig farming is twice a year. It is not necessary to insure those animals.

Booth: These farmers in the cooperatives - ~~they~~, were they working as farmers before that?

Kim: Yes.

Booth: But they didn't have a co-op.

Kim: No, although they are members of credit unions.

Booth: So you got them into the co-op.

Kim: Yes, just naturally. They started to realize and wanted to form co-op because already they've been pushed ? directly and indirectly. I've been in dealing with them. It's a kind of informal education.

Booth: What made them decide they did want to be in the co-op?

Kim: Because they have a kind of common problems. For example the marketing problem and also the shortage of facilities. The problem of shortage of facilities. Also the feed buying problems and also lack of financing. The problem of lack of financing.

Booth: Can they get financing just from the credit union? Do they need a cooperative to get financing?

Kim: Yes, they could apply, but not enough credit they could get.

Booth: What's the difference between the co-op and the credit union?

Kim:- The credit union is purely dealing with the credits ~~office~~ service, but this co-op is ~~people produced this co-op~~ a pig producers coop and of course this is different service. Not dealing with only credit.

Booth: But why if they are in a co-op can they get more credit than they can if they are individual. Isn't that what you're saying? That as a co-operative it's easier for them to get credit as a group than as an individual. Is that right?

Kim: No not necessarily. But the amount of credit is not enough because the funds are accumulated by members of credit union is still not enough for ~~poor~~ farmers, because farmers need long-term loan. Usually way of operation of credit union is monthly installment, ~~Shorter~~ short-term loans and monthly installment payments. That is suitable for only wage-earners and small merchants.

Booth: So has the pig cooperative gotten financing?

Kim: We financed by our own. Earlier prepared fund. Also the members got a loan from credit union only $3300 U.S. dollar - each member could get. So that is the only amount of credit they got from credit unions. This consists of about 12% of the total investment so far - members and co-op did. Actually members invest individually at their home .. because they have the product, ~~pigless(?)~~ piglets Have to -mumble-?

Booth: But do they also borrow from somewhere else?

Kim: Yes, maybe some part of their investments came from Agricultural Cooperative.

Booth: Is there - there's not a Cooperative Bank?

Kim: No, cooperative bank.

Booth: But as a group now, as a cooperative, they may be able to borrow more money?

Kim: Well if the organization is just orderly and very securely done. It depends on how the members have been working on and what's their credit. What's their way of thinking. They need also to have security in order to get a loan from banks or other cooperatives.

Booth: Will they have more security as a group, as a cooperative?

Kim: Yes after the service started and showing the people the operation has been done well then

Booth: Then they can ask for more money.

Kim: Yes.

Booth: What would you say about women and your experience in credit unions and cooperatives. Do you have any?

Kim: Just I didn't mind about the woman and man. People made that social atmosphere that's what I believed. Woman and man both sides should try to develop to move out this way of thinking in our society. So the responsibility of woman is I think more serious than man in order to move out this kind of social -

Booth: Do you think that women are as responsible for their own hesitancy or limitations as men are responsible for women's limitations?

Kim: Yes, personally I've been thinking of that.

Booth: You don't seem to be very limited (laughter).

Kim: Well, I don't know.

Booth: Well, really, you've accomplished a lot, in an area where there aren't that many women.

Kim: Yes man, woman, also just naturally. I think no one can change the society to the betterment paramount by talking for a short time. I think we just need to act. We need to show the people.

Booth: Why is a cooperative or a credit union which is a cooperative a very good vehicle for women to begin to participate more in the society or in business or whatever. Is it a good vehicle? It seems like it would be.

Kim: I think so. So far, from my experience, I can tell this because generally the principle of co-op has no discrimination about sex, and race, and ~~beliefs~~ religions. From that principle we do serve members. That's why we gradually, steadily without making noise, any sound, the people can be changed. Even though it's very slowly, but they change.

Booth: What about money and power. A lot of women in the United States have talked about money, money is power, and we never have enough and we don't have very much and women don't - somebody said today that women have money but they don't control it. Whatever that means. But do you feel that economic independence is an important thing for women to achieve? If they want to be equal?

Kim: Yes, I think so. This is one thing also what I believe in - working for and believe in.

Booth: And in Korea is that still a problem for women?

Kim: Yes, but the problems for women has been changed a lot after we get independence from Japanese occupation.

Booth: When was that?

Kim: It was 1948. So also especially the past two decades - 60's and 70's.

Kim: But from the already ten years ago there were very dedicated woman who start to demonstrate the woman equal to man and just human being like man.

Booth: I'm just curious. This isn't necessarily relevent to your personal experience but I've become more and more interested in developing countries and relationships between women and development and where we are in the U.S. And Korea today is really not what would be called an underdeveloped country. It's probably more of an developed country than an underdeveloped country from what I understand of developing. Or maybe we call it middle developing or something and I've never been there so I haven't seen it. But we hear a lot about that wages use to be low and now wages are getting more and more expensive. This was one of the things Horee Chun ~~Huny Chung~~ was talking about. I'm just curious about...from what I understand most of the cheap labor maybe is female labor. Is it? And now that things are developing more and the labor's more expensive are women earning more. What kind of conditions are there for female workers. In Seoul, particularly?

Kim: Generally speaking , the factory workers are ~~the~~ female workers; the wage of female workers in the factory is slightly lower than man. Still that problem is there. But it has been just slowly changing.

Booth: Is it better that the women are ~~stiy~~ working there and have those jobs, than if they didn't have them?

Kim: Yes, of course. That helps their family life and also on the other hand woman can grow - grow up mentally and also materially.

Booth: So a lot of women do work?

Kim: Yes, in factory about half of them are woman I think. Some factory has almost 80% of workers are woman.

Booth: What do the men do?

Kim: Men usually get the administrative position, but also men do manual work.

Booth: Are women moving up into management?

Kim: Yes, it is getting more and more than past.

Booth: That's good.

Kim: That's why the woman is responsible to show them their capabilities. Women manage more correctly - reasonably. Women can manage better than man. If they are really trained and qualified. I believe in this.

Booth: So are you at this 1980 World Conference for Women - are you optimistic? Do you think we're moving in a positive direction?

Kim: I think so. I think no one can do whole thing at once. This is I think one of the - another step - to go up.

Booth: So you don't think women should be with, just sort of limit themselves to just being women and women's organizations. You seem to have moved into the mainstream.

Kim: Yes I prefer to step in mainstream. This is I think fast way to be equal to the man.

Booth: Great. Have you in your own life experienced discrimination or obstacles in dealing with men?

Kim: Yes. They - it's a hard thing to break through the men's - going with the men's. But once you get in there I think you - you couldn't feel the any discriminations.

Booth: But you're the President of this cooperative, and you're the only woman. (laughter)

Kim: Yes, I had experience of more than 10 years as the President of the Chapter, the Cheju Credit Union ~~Education(?)~~ Chapter and also the (I said already) member of Board of Directors of the League, the National. Credit Union Federation of Korea.

Booth: Are you going to make very much money in this cooperative business - pig venture?

Kim: I think it depends on how we manage. Management I think goes in every thing.

Booth: You got into it as a business? You're running the farm yourself?

Kim: Yes.

Booth: How many people work for you?

Kim: Just I got started with myself and one.

Booth: 250 pigs?

Kim: No just 200. Now while I am staying here the piglets have been produced. About 70 piglets have been produced.

Booth: They all got pregnant at the same time. So you hope that this co-op will start getting into marketing and processing and so on and then you would be into big business.

Kim: Yes, I think we can do.

Booth: Do you have the expertise or ~~do~~ will you have to hire ~~for it~~ people?

Kim: We have the expertise on the pig raising as a member of this co-op. We don't hire yet. Just voluntarily, just work. The co-op always better work as a volunteer. Especially in the beginning.

Booth: Can you develop into marketing without getting assistance?

Kim: Yes, we would need assistance in a way. So far we've been -

Booth: What do you need the credit for?

Kim: For feed. About 70% of the operational fund is for feed. So we need credit for feed, for the co-op pigs - not individually owned pigs. We raise the pigs by two steps.

Booth: Yes you told me that. Once they're a certain weight then you fatten them up together. Then you need more feed to make them fatter. Yes, I got it. Thank you. (End)

Interview - Dagmar Andreasen

BOOTH: ~~and~~, I guess the first thing that I'd really like to know is how you got started in your business and I know that goes back to your mother and how she got started. You want to start with that?

~~NAME:~~ Dagmar Andreasen

ANDREASEN: I was ~~born~~ brought up in the ~~country~~ land. My father had a small factory where he made all kinds of machinery for farming and my mother had a big household as those working in the factories were staying, living in the house having ~~bought~~ board a lodging. Any my mother grew her own fruits and her own vegetables. But in 1934 it was a very big apple crop and lots of apples were laying underneath the trees and in a school where housewives could go and be taught different disciplines for households there was one afternoon a course in how to mill the apples, press out the juice, make it clear, clarify it and pasteurize it. My mother went ~~from~~ for that course and as my brother was a technician he made the tools she was going to use for it ~~of~~ on the small machines. When she had produced so much apple juice as she thought we would be able to drink in the family the next year she offered the neighbors who also had a lot of apples under their trees that they could have the machineries. ~~Her driver would~~ But they would prefer her to produce the juice out of their apples and they would pay her for it and now you must remember that in the 30's we had a depression just as today and my mother's idea was that no fruit should be wasted when it could be used and as there also was one wife in the neighborhood who was unemployed and needed to earn money, my mother engaged that women to come into her kitchen and manufacture the neighbors' apples and it spread very quickly in the neighborhood if we bring our apples to Inga (that was the name of my mother) we are able to get apple juice to drink instead of the homemade beer.

BOOTH: I was just going to say that you told me that she was not really motivated by making money but that she had this moral concern that the apples not be wasted.

DAGMAR People in the neighborhood thought that it was ridiculous that my mother started doing such a thing for money because my father was very well able to provide for the family and we had enough to do as we were always 12 people in the household. And my sister and I, I was 14 and my sister was 17, we argued with my mother and said 'why ever in the world are we to have all that nuisance with our neighbors' apples.' And she would say back 'well if we don't do it, the apple is going to be wasted because I think they manage to do it, and we ought to do it and there are people that would like to earn the money to have the jobs.' And all I did the next year, a special building was made but it was made in the way that it could be changed to a living house if there shouldn't be a factory anymore because my mother didn't know if it would last with the apple juice production. I think she was the first one in Denmark who started.

BOOTH: Did she get financing and all at that point or did your father..

DAGMAR You see in the beginning she didn't need much money as she didn't buy any apples. She just took in the apples and as she did it in the kitchen and as my bothers had made the machineries, she didn't need much money the first year, but the next year when she built the house I think she went to the building society, but I don't remember that anymore. But she was married of course and my father was legally responsible for the debts she made and as he was a well known man and well established, that would have helped her in the beginning.

BOOTH How did you get into the business?

DAGMAR I got, well my mother wanted to retire, nobody of my brothers or my sister wanted to take over and as I had just found out that my marriage was no success and I had to try to find a living for myself and our three kids and my mother would like me very much to take over. We started to discuss how it should be done. My mother and my father, who legally was owner too, would have liked me to run the business on their account for a salary, but I didn't like to do that because of two reasons. The one was I wanted to be able to run the business after my own head, I wanted it should be mine and my responsibility. That was the one thing. But the other thing was, if I succeeded in building it up and should take it over later then I would have to pay for my own efforts. And afterwards I saw that it was one of the most clever decisions I ever made. I don't think my family would have been quiet if I had, I wouldn't have been allowed to expand as much as I did if it has not been my own responsibility, and it would have been much more expensive for me to take over later on.

NAME Did they just sort of give it to you then?

DAGMARE No, I had to pay, may I say the Danish kroner, 200,000 Danish kroner well that was 18, no $36,000 U.S. dollar, about that, and half of it I could pay by taking over the loans in the business, but then I had to get hold on the nine, no, about $18,000. I had about $4,000, no, $5,000 which I had saved before I married ~~our marriage~~. I was working very hard in the factory, in my mother's factory before I married, and I always saved half of my salary. And my mother paid me ~~my~~ just as much as she should pay somebody else coming in and as I was running it more or less as responsible for the money and the bookkeeping and so on, I had saved about $5,000. And then I got 3 1/2 thousand U.S. dollars in inheritance advancement, advance inheritance, what do you say that, I don't know. And then for the last about $9,000 U.S. dollar

I should pay an anuity to my parents at a yearly sum of money as long as they lived.

It was fairly good conditions to take over in, on the other hand, I'm not sure they could have found anybody else who would take it over and run it as an apple juice firm because at that time that line of business was ~~gone~~ down in a depression. There had been a boom during the war where beers was short and where sugar for lemonades was short and where people went in ____ _____ and asked for lemonade or beer, we might say you can have an apple juice because we have apples in Denmark, lots of them. So it got small as unpopular as people thought it was something you had when you couldn't get what you wanted to. So that had to be rebuilded. That is why I didn't, it wasn't a higher price than that. But the lawyer who should put the contract down on paper never had it done and I couldn't know why and I lost patience and went to another one. But later on his man, his first right hand told me several years after, that he on purpose wanted to keep on talking as he thought I wouldn't be able to run the business and then I would ruin my parents if I had taken over the business and then lost everything. And so he wanted my parents to be able to see that I couldn't run it. But I went to another and found a lawyer unscrupulous enough to make the papers.

This happened quite a few years ago just in the, many years ago just in beginning of the industrialization in Denmark. Today within that branch you couldn't start as primitive as we did, but nobody had better machineries than we had and so we could make the one progress after the other. And every time we heard about a better machine invented somewhere, we would try if we were able to buy it. And it has been a very big challenge and from the very beginning, of course I had to do the work in the factory and I had a license to ~~do stuff,~~ to operate the steam boiler and I had a driving license to the car, ~~to~~ brought out the tools and I had ~~to teach~~ to taught how to make the

bookkeeping, I had to learn myself how to sell and of course, it has been awfully interesting. Today, I am not an expert on any of these subjects, but has placed so many experts in the firm which of course in each their field are better than I have ever been, but I know a little of each and well, for the last since I came in parliment in '68, the success of my business ~~is~~ was been up to my employees, because I have had some very clever people and but I have also been prepared, so let young dynamic creative people try their ideas. Sometimes of course, they have been wrong, but more they have been right and so we have made progresses.

BOOTH: ~~NAME~~ Talk just for a minute and go back to getting that loan in the black currents and all that.

DAGMAR For many years it was a problem to have the turnover, the production financed. And the bankers thought perhaps I was not trained enough, I didn't have good enough education, or I was too fantastic in the ideas I got with exporting and so on and so forth. But I never expanded so quick as I wanted to. I had to expand as quick as I could have it financed. I remember once that I had seen in a newspaper that the government had put through a bill after which you could get some special favorable loans, I don't remember yet if it was to encourage the local small farmers, or whatever it was, but anyhow I applied for such a loan and I one day phoned up to the ministry and asked how far are you by treating, how do you say, to find out if I can have that loan or not. The man I spoke to said 'well, you must know, you won't get that money." I say 'why not?', 'you haven't got any education, you are not fit to run that business." And that could make me furious and then I started fighting. I got the money. I would never ~~get~~ give up. If they throw me down the big door, I will come up through the back door as if I had never been there before and ask again. That's the way if you want--

BOOTH ~~NAME~~ inaudible .... women tend to take no for an answer for some, well I don't know, do you know what I mean?

DAGMAR Never take no for an answer. If you want it, then you have to find a new way of presenting it and so on.

BOOTH: ~~NAME~~ And you also never have been afraid to expand, it seems to me.

DAG Well, you must of course have ~~some~~ certain ground to know what you are doing, as to know you can do the thing you do, perhaps better than your colleagues or know ~~who~~ whom you are going to sell to, or there must be a background for the expansion. But very often it has been so that five people was doing a job and there was machine who could do that job. So if the machine was cheaper to run, to buy and rent, then the five people, then it was a matter of having the machine. And it has never in my firm been a question that the people would be then employed because we always expanded and sold more and so they got another job and the employed people in my firm always want the best tools they can have so if I buy a new machine they more often say 'you should have done that years ago' then they say 'we don't want that machine.' They only don't want it if it doesn't run well. It has something to do, nobody likes to go work with a bad chisel or with bad tools, you want the best tools you can have, that makes your work more pleasant, gives you more pleasure in your work.

NAME You employ how many people?

DAG 150.

NAME And how many of them are sort of in the factory and how many are in management.

DAG Well, that would be 40, in sales departure and management are 50, 40 or 50, salesman and in administration and then there will have been about 20 in expedition and ~~lorrers~~ drivers lorries?. We are delivering all our goods with our own lorries? truck drivers. And then, the rest

BOOTH ~~NAME~~ How much are the sales, you said you're going to do $18 million this year?

DAG No, there is $18 million, yes, about.

NAME How much did you do last year?

DAG A little less, but in Denmark money people have to spend is less this year than it was last year, so it very difficult to make money, because I really can use less for that ___7___ than I have been able to. That's part of our policy.

NAME How do you sell and market?

DAG Well, we have a different customers, we sell to the shops and we have staff who are salesmen who are selling in the, but only the bigger shops and we deliver it directly with our own jorries ~~trucks~~. Then we sell to institutions, hospitals, things, public institutions and homes for old people and then we sell for dairies, fruits to mix in yogurt, and then we sell the danish speciality, ___raspberry figues___, that's a fruit compote,

NAME You make it?

DAG Yes, and we export it, we don't make the cream though, but we export some of it, but it is not a very big business.

NAME To where?

DAG Germany. We also tried to the States, but I think that was more or less a joke, and then we in our country there's wines are very highly taxed, what you have, you pay a very high ~~tax~~ price for wines. So people try to make their own wines and these heavy wines that we also produce that's a fruit juice from making your own wine.

NAME How does that do? Do you sell a lot of that?

DAG Well,

NAME People who make their own wine at home..

DAG Yes, we also sell that.

BOOTH ~~NAME~~ What about exporting, to me that sounds scary, you know, I mean it's like, that's a whole new ballgame. Of course you were exporting to England-

DAG The black current ~~used~~ juice to England was our first experience-

BOOTH ~~NAME~~ You didn't know how you happen to have been England and discovered that they were short of black currents

DAG I don't know who told me they were short of black currents, but I just that's one of these things you hear that they are importing a thing, and then I would try that I could get part of their business and they really succeeded and I sold half my turnover went to England for several years and it was the better half because, as I told you-

BOOTH ~~NAME~~ inaudible

DAG that I was able to press more juice out of the berries than most, than normal at that time.

BOOTH ~~NAME~~ Your machinery _____

DAG Oh, well I had special trick I got by accident. I was traveling in Germany and seeing a factory there and I asked them how they pressed their black currents and they told me something I could do and when I came back I fould out it worked very well. But it's very difficult to explain today, but it was ___- the black currents were rather expensive and normally people would get 70% and I got 80. It's clear that was a good business.

NAME You said something about the man you sold to in England was, he sounded a bit chauvinistic, he felt he was doing you a big favor by buying your juice.

DAG Well, I think he, you see, the favor he gave me was this, they were importing juice and he said to me that ~~they wouldn't~~, if the quality and the price was right, he could easily do me that favor and buy everything I could make. But then as it was a favor for him to have the juice, that was not so imposing, but the imposing thing was he said he told me what they paid for the berries the year before and what they had paid for the juice.

They had bought some berries in Europe and they had bought some juice. And he told me the price they gave for the berries and he told me the price they gave for the juice. And then I could see they didn't know how much juice you could out of the berries and then I could put my price right. And that way I got more than I would always have had for my juice.

BOOTH: ~~NAME~~

And it was at that point that you had to get a letter of credit from the bank in order to finance-

DAG

It was a very big business for me at that time and it was a problem to have it financed. The buyer was prepared to open up a credit in the bank so that a letter of credit so that I was paid as soon as the goods were sent but I should buy the berries and I, the bank should trust that the goods was in order and up to the standards promised. But I succeeded and everything run well.

BOOTH: ~~NAME~~

And then, you said about four or five years later that market evaporated.

DAG

There were so many black currents grown in England, that they were self-supporting. That was one of the reasons, there were special other complications it is too difficult to talk about here, but that's

BOOTH: ~~NAME~~

Then how did you handle it ~~That's what encouraged.. (inaudible.)~~

DAG

Well, then suddenly half of my turnover was gone because the export stopped. And then I had to try to expand within the apple juice factory and I also found a firm in Sweden who bought some black current juice from me, not so much and so much good business, but all the same, I ~~could~~ did sell some for Sweden.

BOOTH ~~NAME~~

At that point were you doing your own marketing and sales yourself, or had you hired people.

DAG

As no, it was much later that I, the first I did was when it growed too much for me, I the first specialist I took in was a man to run the practical work, he was trained ~~in~~ within dairy production and knew how to work the machineries and knew something about cleaning and pasteurizing and things like that and I went on doing the selling business. It was many years later that

I took in a salesman otherwise I did it myself in the first many years.

NAME It just sounds like you've grown so much, I mean from that to the point where you now have 40 or 50 people.

DAG You see, the first, the beginning was the most difficult one but then we have after 73 we have we sell I think 5 times as much as we did in 73.

NAME What happened then?

DAG It might have not just been 73, I don't quite remember about that time. We ran into difficulties because the apple juice we had specialized in apple juice ~~and~~ in bottles and had given the sole marketing and distribution rights to the Danish breweries Tuborg and Carlsbarg Carlsba... They would take it on their trucks lorries and sell it at the same as beers and we thought we had made a very very good scoop a very fine business but just at that time cartons came through for juices and then the turnover in bottles stagnated, is that what you say, stagnated as it didn't grow any more and we couldn't come into the market with cartons because we didn't have the money to finance it and we didn't know how to come through the way the breweries. It was not a good package for these beer cars but then we started to produce these fruit for yogurts and a group of clever young technicians in my factory made a new, invented a new processing of the fruits so that the quality was better, the price was lower and it didn't give so much work on the dairies so within two three years we took 50% of the market in Denmark so that was the next big step we took and today we have 50% of the market still, we could keep it but of course our competitors could copy our production, our way of processing, but it was a very very good step but it was clear up to some clever young people technicians I had in the factory who made that.

BOOTH: When you say technicians what were they really hired to do?

DAG The one was a technician and one was trained on a dairy so he could do the practical side of it and I must say the leader of the group he was a chemist, he had a very high technical education. But they worked very well together.

BOOTH: You mean they were hired to sort of figure out new things and processing and stuff?

DAG No, but I was all interested in the business and a great one of the success in our firm is that we have succeeded for many years and I hope still the people employed feel it is their business and whenever they can do something for the business they won't think so much if it's their business or not, they would just come and say I have an idea if we did it so and he would say it was one of his colleagues and he'd say yes, if we did so, and if we made -- a group together that might be very dynamic Anyhow it was at the time when I made these new containers for yogurt.

BOOTH: What did you do about the bottles for the juice?

DAG Well, we just kept the same but then we expanded in other areas and today we also most of it we sell in cartons. We came through (end of side) Well I had to accept that the bottles the turnover in bottles didn't grow anymore but all the surplus sale came in cartons and after some years we got possibilities for selling the cartons and we took up the production. But we a part of the contract with the breweries was that they should finance expansion because they thought they were able to sell much more apple juice as we could produce. But they were afraid enough when they saw that they had brought us in certain difficulties because they couldn't expand the sale as they expected on account of it was nearly..

BOOTH: Was that because they were in bottles, not in cartons, or was it just they weren't

DAG It was because all the sale at that time turned over into cartons. we didn't force it, but then we have been able to borrow money for our

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expansion by the breweries if we could get the money where else we try first to get from other sources. And if not, we might be able to get ..

BOOTH ~~NAME~~ So did you get..

DAG We have got money from them and from banks and from anywhere

BOOTH ~~NAME~~ Well ... the breweries still doing... but I thought they weren't delivering your

DAG Oh, they are still selling our products as much as can be sold in bottles but it's only a part it ~~just~~ used to be all the juice which was sold in returnable bottles but now the biggest part of the sale is in cartons and this a carton is not ...suitable for this beer delivering system. This is for returnable bottles.

BOOTH ~~NAME~~ Why don't you briefly describe this new enterprise you are getting into and I'm really curious about how much money you have invested in it and where that money came from.

DAG You see for many years everybody has known that a cow is an very expansion way of making milk. It is not of course if you only have the grass in areas where nobody else and grass can grow it's okay, but ~~always~~ in our ways that is spoiled and ~~that~~ lack of protein, uh calories. And the soybean has been an interesting protein source but the soybean, the soy protein has a bitter taste. In our factory we succeeded by an enzyme invented by the Danish firm Nobel to utilize the soy protein and make a tasteless liquid. It can be dried up as a powder but this liquid can also mix with fruit juices and have without giving a bad taste to the fruit juice and then you can pasteurize it and it can be distributed without a cold chain; it doesn't need cooling facilities. And so you can send it to the Arab countries, the Middle East and everywhere and use it even if they don't have cooling facilities.

NAME How much money is this little risk venture costing you?

DAG Well, we have started up I don't know I guess that the first two years we have been working with it on a ~~laboratory~~ laboratory scale, it's difficult to say because it is more or less what do you call it the heads of the organization have been used for it and you don't put down how many hours you have used for it but if you can make a guess of perhaps a million and for the time being we are investing another between three and four millions and if that is going to be a success it might be 50 million the next time.

NAME Where did you get the 3 or 4 million?

DAG Oh, well that is what we could take out from our running business.

NAME How much money do you borrow annually.

DAG No, but its not right we haven't taken it all out from our running business we have had a special loan to a little more 2 millions we are promised as a special foreign loan foreign money.

NAME How did you happen to get that? ~~(inaudible)~~

DAG Well we have a ~~firm~~ a special credit system in Denmark which are specialized in financing ~~inter~~ industries and they will, ~~buy~~ by a special law, a special bill from the state ~~where~~, they are able to supply industry with loans taken up abroad to try to make our industry grow because in Denmark our industry isn't big enough for the time being.

NAME Do you pay special interest rate on that or is there some

DAG ____a special favor of them, ten percentus.

NAMe What you said that I think is so interesting is that you're never afraid to borrow money and I think that's fantastic cause I think about borrowing $500 and I think oh my God how am I ever going to pay this back and when you think small you do small, so..

DAG You see I won't be awfully afraid I wouldn't dare to borrow money if I was very extravagant used a lot of money myself, but I never do and I will ~~use~~ lose my money before my creditors lose their money but I do it the best

I can and those who are those institutions which are lending money to industries they must be prepared to run a certain risk and they are but of course they, I have a very good accountant a very bookkeeper and he knows when we can pay back and what it means and how much we must earn on the things we sell before we can take up a loan and so on and so forth

Boot14: ~~NAME~~ But you said in terms of this soy protein that other bigger companies have tried it and hadn't made it and you are willing to take the risk and you think you can succeed, I mean you

DAG No we have succeeded in making on a laboratory plan and that is just up to our

Boot14 ~~NAME~~ They didn't succeed in making it

DAG No, they didn't succeed in making it. I have a very clever, my successor, the man who is going to follow me is a young very clever chemist and he has

NAME Does he own part of the business already?

DAG No, he is director, but he has a director's contract, so he is going to be my successor and he is doing the main job today.

NAME Oh really, what are you doing?

DAG Well, making coffee. making speeches and reading the newspapers and well, what am I doing? I have a certain degree of what do you call it a fun, I hope all that I have experiences which I hope can be of useful and another thing I've found, I don't know if I might but I think that girls, women perhaps a little easier than men, see what is going on in an organization. We have a feeling if people are not feeling well, if troubles are arising I think we have them in through the skin a little bit before they come to outburst and so we perhaps can try to find out what's going wrong and try to clean up before anything happens. So I hope I'm doing something to make it a good organization to work in. Do you understand what I'm saying?

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I haven't got these words clear.

AME You say that you are more senstive to the people that work for you,

DAG Well, that's not specially me but I think women in general has more feelings for other people than men have but we are not so good in inventing a new machine. You are not so good technicians, I don't think.

NAME How many women do you employ?

DAG Well, I don't know exactly how many, but in Denmark we are getting in the beginning there were nearly all women because my mother would send for housewives that would like to take a job for some months but today they have to be special trained ~~when~~ and we have 7 technicians and we have some ~~truck~~ lorry drivers and we have some men trained on dairies and all these jobs there are no girls in these jobs, no women take this training and even if we try to encourage the young girls to take a special education, nothing much changes; it takes very long time to change habits.

NAME You know, I've heard from one women today ~~or~~ and a bit from another that the feeling is not that men are limiting women but that women are limiting themselves. Do you think that's true?

DAG Yes, I think if the girls wanted to they could have the education but they don't want to. They haven't seen it at home and they hope to be housewifes and mothers and they are not so

NAME Even in Denmark?

DAG Yes, even in Denmark. Of course, not all of them but they don't want to train for a leader job because ~~they~~ the family means more for them than their career, for most of them. I cannot generalize but the tendency is quite clear. And some of it might also be because the husbands want them to look after the children and so they, it's not so easy for them to take special trainings and special jobs. But it happens also, you also see the difference long before their married that the girls are not nearly so prepared to take a special education.

BOOTH: Just back for a minute, you said that you're not running the day-to-day of the company anymore.

DAG: No

BOOTH: Which means, what are you really doing? I mean, you're making speeches what else?

DAG: I am trying to follow what is going on in the business. I go into the office quarter past seven every morning and take in the post and open all the letters and sort it out and see what is coming in and meet with my colleagues in the leader group at 8 o'clock, discuss what is going on with the day, sort out the post and afterwards I'll read the newspapers and see if anything new is coming in and I'll go around the factory and see, talk to people on the floor and see if they have any complaints and see if anything is, there might be something I would want to change and talk with the man in charge of that department and ask him if that could be changed and then I might go to the bank, I don't have many jobs I must do. I say, you see, when I came into parliament in 68 I didn't expect it to be elected I just wanted to support the party, so when I was elected I had to delegate to my employed people so that they could run the business when I was away and when I came out of parliament in 75 I of course wouldn't take away their competence because if I did they would have went away and I also saw that they did better than I could do so I got younger people into the business little earlier than I would have had if I didn't became a member of the parliament. People are more dynamic when they are young as when they grow and they have a better education than I had, I have only learned what I have learned by growing up with the business. You understand what I say?

BOOTH: Oh absolutely, every word. Have you just, I'm just darting from question to question as they come up in my head and it'll all make sense but, have you thought over the years of any big mistakes that you've made that you could have avoided or would avoid now that you might consider advice to young people, women?

DAG Well, I have made lots of mistakes, no doubt of that, but I never use my time in thinking of the mistakes I make, I am pleased over all those mistakes I didn't make. So I think that what is a mistake for me might not be a mistake for the next one.

BOOTH: So, what are the qualities that make a really good businesswomen, I mean you are a success, what are those qualities?

DAG I can tell you what was a great help to me, it was, it has been a lot of work, what is my strong sides, it is, I have been good in calculation and figures and numbers. I have been good in administrating, I have had a very good house, been strongly built, been able to work hard and in general a good humor, optomistic.

BOOTH You have a lot of self-confidence.

DAG Well, I don't know if I have a lot of self-confidence. I don't know that, but I am prepared to do my best and I have seen other people making success with quite other qualifications than I have, so it's not a question of this or that. you must be, you must have a strong will, because you can't run a business if you give at the first time you have a difficulty and your nerves must be good, good health and good nerves and energy and

BOOTH: And it seems like you have willingness to take chances

DAG Well, a business is chances it is very risky, but I mean it's

BOOTH: Is that what you like about it?

DAG No, it's interesting to see things grow and I always like challenges. if somebody told me there was something I couldn't do I would like to see

if I could, to prove I could, I mean it was a challenge to when I came into parliament and I said so ~~and~~ now you have got to see if you can learn this and if somebody asked me to make a speech somewhere and I think that's a little more than you are able to, I say yes because then it is very interesting to see if I succeed, and sometimes I do and sometimes I don't and when I don't I say well next time I'll do better. Do you understand me?

BOOTH ~~NAME~~

I remember interviewing a women who was a political women ~~who~~ who ~~and she~~ said she felt women just didn't, a lot of women didn't have the guts to just take the plunge and it really, they hold back for fear of failure or whatever the reason is and it seems almost like the qualities perhaps and a suceessful politician may be somewhat the same as a successful

DAG

Well, you see, I think it was something I was told already as a child and in the school - be frank, say what you think, do what you think is right, don't ask somebody else what is right and wrong. Find out yourself and follow it, and that way you get very self-dependent ~~and~~ but also prepared to take , I mean, I have many times done something, said something which people didn't might not agree with, but I couldn't care less if they didn't because I was convinced it was true and right.

BOOTH: ~~NAME~~

I guess that's what I call self-confidence.

DAG

Oh well, that might you, but I'm not, I haven't so much confidence in my, there are so many things I'm not good in, that others can do better than me, but if I have an opinion I am not afraid of telling of that opinion even if it might not be popular. That's something I don't think that's self-confidence, is it. You see..

BOOTH: ~~NAME~~

Yes, because people who lack the confidence are always concerned about what someone else is going to think and perhaps that they didn't say the right thing or what they're doing isn't right

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DAG You see, I never ~~hire~~ had any persons,..... men are in a much worse position than that because they have a prestige, they have a name, they have a something, I never had it so nothing to lose.

NAME ...something to hold on to, right

DAG Right, nothing to lose

Name you never had it to begin with, so you had to prove yourself over and over and over again. What about being a women in an area that really is a man's world in a sense, has that been fun and exciting or has ~~it~~ that been more difficult than you would like it to have been?

DAG You see, I don't know if it had been easier or more difficult if I had been a man, I never tried to be man. I had occasions where I just laughed about it, you see, there came a man one day and would sell me a typewriter or something for the office and I was cleaning my car, washing my car with rubber boots and a rubber apron and he came along and said is anybody at home and I said yes, I'm at home. and he said well I'm sure you have a great deal to say but I want to speak to the man and I said well, you will get more advice than that and you will more clever later on or whatever I said and he went away and so the ____ came back and said isn't there anybody at home and I said I did tell you I was at home, but he could have asked before he come who is the boss and he wouldn't accept that it was me but I laughed about it and he didn't sell any machines. that day. No but in general I don't think, I never think that.. In the beginning when I came to a meetings where there might be 200 men and I was the only women, I thought of it but I never think of it anymore, it doesn't make any difference for me I've seen it so often.

NAME But, like negotiating deals and so on

DAG It doesn't make any difference, I don't think it did when I was the one who _____ of course you have to (too much background noise)

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BOOTH: ~~NAME~~ take men _____ he was at first well maybe we can put something over her

DAG Well they would find out they couldn't, only once. I think there are great possibilities for women in the third world if they are, if they have prepared to do the job by specially by the fruit industry. I know today the food industry needs very big money but you can start up slowly there to to the local market and then you can grow the fruits and make firms and other countries interested in supplying you with machineries and make good contracts with them and so it should be possible because it is a problem in Denmark we can only today grow the fruits we can mechanically fix, our labor force is much too expensive for picking fruits. I can give an example strawberries if we don't invent a machine for picking strawberries we won't have strawberries in Denmark in a few years time. Cherries in Denmark are picked mechanically. And we haven't grown raspberries for years because they are too expensive to pick. I saw a machine yesterday who picked, the day before yesterday, no it was yesterday, which picked raspberries but it is so expensive that in many underdeveloped countries the labor force will have good possibilities in these things and if they cannot process them they can freeze them, they can have somebody to invest in freezing capacities and then export them as frozen fruit.

BOOTH: ~~NAME~~ Maybe I'll send you down to the Caribbean to talk to some women about that, seriously.

DAG Well, I have been in Puerto Rico once and there are big factories there, fruit processing but maybe those fruits are growing there especially. There are very big areas in ..

BOOTH: ~~NAME~~ Maybe they were owned by these big companies (inaudible) How old are you?

DAG I'm 59, I'll be 60 this year. so I am growing old.

BOOTH: ~~NAME~~ Do you think you'll retire then and...

DAG Well, I don't know when I will retire, when it isn't fun anymore.

BOOTH: ~~NAME~~ Right now you prefer the - is there anything else you can see yourself doing?

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DAG Well, I like to grow ~~vegetables~~ so I'll be gardener when I ~~return~~ retire. I'd like to eat vegetarian food and will like to supply myself with ~~grain~~ everything of grain. I as a matter of fact I like, I don't do more than, in the firm than I like to do and when we are running smoothly I like to be there and when difficulties are too big I think oh well it's time to retire. But then I thought, no you can't retire before these troubles are gone.

BOOTH: ~~MARE~~ You'll be there for awhile.

III

BOOTH: I Have you dealt specifically with women's problems in giving credit, Claudia?

MARSHALL: C. I don't think when I'm looking at the question of credit for small businesses you can look at it or analyze it as a women's problem. I think there probably has been a somewhat inaccurate picture developed through some of the hearsay and press coverage related to some of the equal credit acts. The misinformation would be that there is a ~~pod~~ pot of money created by such an act that is available more readily for women or for minorities in the case of affirmative action. That's not the case. I think that what the Equal Credit Act or any of these recent regulations mean is that women will be guaranteed equal consideration for loans but will have to meet very similar types of criteria to those that are set up to any other entrepreneur wanting to start a business.
I think probably where the difference that a bank such as Chase Manhattan can make is to offer programs, education and training to individuals who are interested in learning and filling out their expertise in certain areas that will make them more creditworthy ~~and~~ in starting their business. I think this is probably where an institution can help, but in terms of making someone or offering someone better terms of credit, that isn't the case.

BOOTH: I. What about filling that gap though, first of all, do you feel that when a woman comes to the bank and says I want to start my own business is she viewed in exactly the same way as a man in terms of you know the kind of criteria or is there an automatice bias against her because she's a woman?

MARSHALL: C. I have not personally reviewed the applications of any women for a loan so I must project somewhat. I can reflect on the way women as employees are treated in banking and I must say that I don't think I personally have received any negative kinds of situations in my own career but from the understanding I have of the approach that we're taking to banking I think that I don't see anyway that a woman would be turned down for credit simply on that, on the merits of the fact that she's a woman. I think that in looking at anyone applying to a

bank or anyother other institution for a loan it's very .. (misc. conversation) I think it's probably best to look a little bit at what kinds of things are impoartant to a bank or a creditor in analyzing the risk factors inherent in any business or particularly a new one. First of all, a question I had asked a number of people who have been giving forums at Chase to women entrepreneurs or individuals who are interested in starting some type of a business, what were the most frequently asked questions that come up in that type of forum. I think the first one is Chase Manhattan has so much money why can't it just give some away? Which may seem like a very likely question, but I think the answer is that fundamentally the purpose of the bank is hopefully the purpose of any good business and that is to make money for its owners in this case for our stockholders, and we can't risk any of the assets of the bank in that pursuit. I think second of all banking in general is a highly regulating industry. The types of constraints that are placed on banks to protect certain measurements of deposits or loans or other types of measures are very highly regulated by the bank and by government institutions so there is constantly a tension. I think the bankers feel these days between wanting to help perhaps more potentially risky loans to support social responsibility types of ~~its~~ objectives as opposed to meeting fairly rigid conditions set by regulators to guarantee the stability of the bank. There is a constant tension I think that regulators are feeling it also to the same extent and the bankers are continuously saying you can't have it both ways. But coming back to a woman's starting a small business I think that the essence that a banker will look to apart from all the technical matters of the loan itself is the basic expertise of an individual applying for the loan for the business. I think in looking at some of the statistics that have been analyzed as to why businesses fail within the first

couple of years, close to 70%, I'd have to check the statistics, will fail due to some lack of experience or expertise or incompetence of the owner of the business at himself or herself, so that the ability of the business owner or the business developer or the entrepreneur to understand every dimension of the business that they're going into is extremely important. And I think probably there are three or four dimensions that are very important. First of all, the nature of the business itself, whether it's designing silk or if you're in personnel understanding different, not being in the personnel business I don't know, understanding the nature of the product that you are selling, understanding the nature of the business. I think second of all understanding the dynamics of the market that you're trying to sell that product or service to, is extremely important. The inexperienced business person might come in and who is going into a dress business and say my marketplace is all women. Well, indeed it's not all women, it may be women in the local neighborhood where the stores is located or something of that nature but really what is the total market that you are trying to place. What is the competition? and you will notice I am not mentioning any financial terminology yet. What is the nature of the competition that you are facing, how is a bank to know that this specific product differentiation or specific technique or approach that the enterpreneur is introducing is going to succeed successfully against the competition or against other product offerings in that particular business line. Then probably most importantly again the manager himself or herself. Particularly, have they demonstrated before that their particular approach or technique or skills work. I think that this probably is the area that for women is one that is not thought of often. I think we see women who are trying to make a transition from perhaps

being a mother or being a homemaker trying to enter say opening a day car center or opening a boutique and have no demonstrated experienced, not a lack of ability, but no demonstrated experience to show indeed that they could run a boutique successfully.

BOOTH: I. How do you get that experience, ~~it's not~~ isn't that like the chicken and the egg?

MARSHALL: C. Oh, certainly, but I think that the personal drive factor that is required to get an entrepreneur launched certainly must enable someone to get a first job. And the job probably must lead to some level of responsibility equivalent to the type of responsibility that the individual wants to demonstrate in thier own business. I think there is certainly a chicken and an egg. I think the second question that is often asked is how much time do I have to demonstrate that I have this skill level. And that's not an easy question to answer but I would have to say probably long enough to have some demonstrated result. I don't know if it means that you show you can sell 45 dresses using some proven promotional approach or you show that your line of production leads to a quality of goods or some equivalent experience but I think that if an individual can't prove that they can do that for someone else, the risks of going out on one's own where a support system or security or comfort is not there, make the new venture highly risky. ~~a risk game.~~

BOOTH: I. How do your, you said that Chase does have now some kind of special program ~~where~~ for people who want to have some assistance in at least learning what they're up against, I don't know if you actually provide them with the technical expertise.

MARSHALL: C. No, I don't think we would begin obviously to provide them with the technical expertise, we are in the business of banking, but I think that more and more, ~~of the type of~~ particularly for women, the type of seminars where women are brought together in local communities particularly where we have branches in New York City, women are brought together and Chase will sponsor

discussions of how to apply for a loan, what kinds of requirements are required for a presentation of a business, in fact in terms, I said the reason most businesses fail is because of management expertise, the reason most loans are turned down is often due to poor presentation, to not stipulating enough information about the terms of how to pay back the loan. I can give you, I don't have them, I can give you statistics on that if you are interested, but we have analyzed why loans are rejected, personal loans particularly for small businesses. I can give you that information.

BOOTH: I. It's not impossible to get one though?

MARSHALL: C. No, I don't think its impossible to get one, I do think that - did you apply?

BOOTH: I. Who me? No, but just from talking to Honee and from talking to Jennifer I have this feeling that is an issue when neither of them have ~~inaudible~~ been able to get one. I'm sure Jennifer did actually, well she got collateral, so she was able to get one.

MARSHALL: C. I can say initially, without having some form of equity or collateral it will make it very difficult, very difficult.

BOOTH: I. What's the difference between equity and collateral?

MARSHALL: C. Okay. Let's talk about how, let's talk at first about probably how a bank would offer someone starting a business a new loan. I would think the traditional form of financing would be through a line of credit. Meaning a certain allocated sum of money that an individual could draw down on, Either randomly or at periodic intervals given in the terms of the loan. For a small business the line of credit would probably be expected to be fully secured for the amount of the loan. Now, I will say that a bank never, or maybe never is too strong, but very seldom looks to the security for the repayment of that loan. And I don't mean with the loan goes bad. When a bank is analyzing the credit riskiness of a particular loan they do not want to go through all the rigamorole of having to call the loan and pull on the security. That just is not a very wise business decision so they will not look to the security for repayment. They'll look probably to the strength of the business

itself, its ability to generate cash, its ability to grow and to be an ongoing enterprise. But, for a first-time lender for a start-up business, full securitiy will probably be expected, I can't imagine why it wouldn't. Now, if it were some type of manufacturing a product producing business, perhaps the actual product produced or the raw goods or material bought could be used as security or collateral on a loan. Now answer.. The difference between equity and collateral. Equity is funding that is placed in the business by the owners, it's an investment.

BOOTH: I. In other words, if I had some stockholders and shareholders or whatever and they were willing to put in say $50,000, then I could go to the bank and get a $50,000 loan.

MARSHALL: C. Well, I don't know if you could get $50,000, but you probably, that would be value actually available in the company that could be looked to as a cushion against borrowing. Now collateral on the loan could be any form of security presented to back the loan. It does not have to be money that's injected into the business itself. We could look to bonds, stocks, any kind of security that could be signed over temporarily to the bank should the loan go bad.

BOOTH: I. And would you take my personal, if I owned a house.

MARSHALL: C. Sure, it's not uncommon with a small business to have property or bonds or any kind of personal ownership or guarantee, a guarantee might be another, a third party's pledging to cover the loan should it go bad. So for example, someone's parents or relatives or someone else who has collateral of value could guarantee the loan and agree that it will be paid. And again, I think it's probably important to point out that the bank really doesn't look to that security for loan repayment, it is in most cases, the bank will look to the corporation and its cash flow itself, not to the security, that's only on the downside risk. I

think the other point that is probably worth making. Why are, why do banks seem so risk adverse to small business financing, or funding? I think it's probably inherent in the purpose of a bank itself as opposed to an investment bank or opposed to someone raising stock. The return that a bank will get on a loan regardless of whether the business grows rapidly or grows slowly or has a good year or a bad year, the return on the loan is constant. It is set when the loan is made. There is absolutely no merit or no reward given to a bank for taking more risk than it needs to. On the other hand, if you look to say some kind of leverage buy out or equity financing or risk capital it's not uncommon for a new venture started by someone who does not have a track record for the venture capitalist who is raising the funds to have promise of 50% ownership of a company. So while a bank will get what in these times may be 18% or 12% depending on the times guaranteed return, someone who is actually investing capital in the company will gain a considerable amount of money if the business does so their taking a greater risk and they are rewarded for it. In the same hand if the business, they are taking greater risks should the business go poorly too, but a bank really isn't rewarded one way or another, so I think this really if a bank is seemed to risk adverse, this is probably one of the reasons why. Their just not-

BOOTH: I. You mentioned the presentation and I jotted that down just because in talking to Jennifer she mentioned somebody had helped her with this initial presentation and you know, I guess I had this idea that you just go to the bank and sit down and say well, you know I'm into this and this is what I'm gonna do and you know, doesn't that sound terrific and so and so thinks I've got a good idea. What's a presentation, is it more than that?

MARSHALL: C. Any business should have a business plan and I think a business plan would be required whether you are going to a bank or whether you are trying to present your idea to any other person who you are trying to get to fund the company.

BOOTH: I. (sounds like Honee) Is this the financial statement being a presentation?

MARSHALL C. Well, I think it could be. I think the pro forma business plan, and I have a book, we have a book that we published on how to develop a business plan for starting a small venture that I can get you a copy of. You describe in fairly full blown terms the nature and environment and the - tape blank The presentation has as a basic purpose trying to convey a sense of - tape The business plan does not have to be done in a pro forma way, I mean, you don't have to always have one that looks the same as everybody elses. But if it is done succinctly and accurately it certainly strengthens your ability to discuss your business and all the ramifications of it. I think somethings that as part of the description of the business itself, the marketplace it's working in, the competition, the nature of the management and personnel, you certainly will want to have a financial statement simple as possible describing the basic assets, liabilities, ownership of the business, as well as probably a 12 to 18 month projected profit and loss statement. And I would also think, and maybe most importantly, some sense of the monthly cash flow flowing in, actual money in hand flowing in and flowing out of the firm. I think particularly for a start-up business and possibly one where the record of sales flowing and expenses going out are unknown. The cash flow becomes particularly important. A lot of businesses can get stuck in having a shortage of cash available to meet their bills.

BOOTH: I. Isn't it hard to predict though if you are just starting,

MARSHALL: C. I think you are going to have to at least with the banker, and I would think certainly with anyone else funding you, you are certainly going to have

enough assurance that at least your cash flow will allow you to keep the business going first of all for month to month and second of all, service your debt or pay back the interest or the principal on the loan as you have stated it in your financial application for the loan.

I. Do your seminars deal with this or do they deal primarily with just sort of process how to get a loan, I mean do they, why don't you tell me a little bit more about -

C. I have never been to a seminar. I don't get involved with it. I think that from what I have seen because I have read the outlines of, I work in the international side of business and most of this has been done in New York state. From what I have seen and from talking to the people who have worked with them, the general audience interested in this type of symposium has a much more basic level of interest than some of the things I'm talking about. I think there has been a lot of interest, particularly by women, in startup of a new business as the result of a life change, or as a result of the empty nest or whatever you want to call it, and it's, businesses are being considered as a way to start doing something and some of the actual questions of business planning are, I think are covered generally, we also have a 100-page book that we offer to any of these people who really want to get serious about it, and certainly if someone gets to the point of actually developing a business plan and presenting a financial proposal I think that a lending officer would be happy to work with them. I think one thing that certainly Chase has found and probably a lot of other banks, is the time to build the best customers is certainly when they need you most. It's interesting to look at the files of banking relationships and not only for small business but for major institutions and major corporations. Very, very important that when in 1929 or 1940 when the particular institution ~~xxxxxxx~~ had a problem the banks stepped in and stepped up to its line of credit or stepped up to some particular financing need and those things are very very

MARSHALL: C First of all, they don't have the regulations that the United States banks have and also they, the U.S. dollar has been devaluated overseas so dollars are cheap for them and with the rates that can be drawn in the United States it's a very nice way of using their excess dollars and there are a lot of excess dollars in the world. So, I think from a defensive point of view that's true, but also the small corporation, the middle-market corporation, the small local bank, our smaller institutions are growing and have greater financing needs and in greater quantity, so these are definate areas that I know Chase is looking to to grow into and that they will be developing more and more expertise in servicing.

BOOTH: I. Why were you chosen to be on this panel.

MARSHALL: C. Got me. No, I think as probably from talking to Elinor ~~Eleanor~~ and Barbara there are a couple of parts of my background that probably fit what they were doing. One is that I deal in international banking and I'm doing an awful lot of work in Asia. I'm familiar with some of the problems of developing countries, financing them, and second of all I used to deal very heavily in a previous job that I had at ~~with~~ the bank with credit unions which they were both very closely connected with, but we helped at Chase to really launch, I don't know how familiar you are with credit unions, well credit unions are small grass roots types of organizations that have a closed membership and the membership is based on what's known as the common bond, I think there are seven common bonds, one being place of employment, Air Force, etc.

BOOTH: I. I was in one when I worked on--

MARSHALL: C. Teachers' credit unions, in the community you live in. Prior to, let's see, it must be about 1976 or 7, these institutions were primarily deposit takers and loan givers, they had no what we would call the full financial service

capability, no checking account capability, and Chase developed really at the request of the National Credit Union Association a proposal to provide a check like instrument that credit unions could offer to their membership. I would was, as was Elinor, we were very much involved in developing and introducing that particular product and there really was a two-fold business decision. Number one convincing a credit union manager that it was important for him to go into a new business because it reagly is managing a new business, it has its operation it has its own risk and it has very unique types of or different types of factors introduced to the business as a whole. So we gave seminars first of all talking about the importance of being able to be a full financial service institution for the credit union, and then second of all how to get into the business, how to manage it and how to sustain it.

I. Chase didn't see that as competition?

C. Well, it's a funny thing in the banking industry, there is a very peculiar understanding of servicing your competitors. I deal right now with correspondent banks around the world in many markets for corporate business or for consumer business. Chase could be directly competing with an institution that we would be serving. So, in fact when I first got into the business it seemed like a quirk. I was managing, I was the national sales manager in fact, for three sub-markets and each of the markets competed against one another and (tape stop, end)

BOOTH (cont): So, anyway you worked with the credit union?

MARSHALL: So I worked with the credit unions really helping them to launch businesses. I think the 3rd thing is I have been fairly active in I guess what I call social issues that should be considered by business. I do personally and philosophically feel that corporations and financial institutions should begin to actively analyze and understand the kinds of roles that they could play, supportive or in any other way to help with social issues as they arise. In fact, in my business school work, my thesis was in this area. So that I've done a lot of thinking -

BOOTH: What was it about -

MARSHALL: I was an economics and finance major and I was trying to take a look at different economic philosophies, as opposed to ways of analyzing things. But different economic philosophies and how that influenced the underlying business philosophy of a corporation previously and in the future and what types of future leadership that probably predicted for the corporation in general. I guess I'm a victim of my own times, but I was in school during the late 60's and early 70's when the country was going through a tremendous amount of turmoil. I was teaching at Michigan State University when we had the whole Kent State incident.

BOOTH: You were teaching in the communications department?

MARSHALL Yes, I was teaching a course in Human Communications, Communications Research -

BOOTH: You hadn't done any business yet?

MARSHALL: Yes, I had. I had - when I got out of undergraduate school, I worked at IBM for a year, I guess in the systems area. I was a Mathmetician by previous training and went into systems work.

BOOTH: And that led you to communications?

MARSHALL: Well, not exactly. It was kind of an intuitive hunt. But I think what bothered me in systems at that point in time - well I guess I should say, the first system or the second system that I worked on was one - it was implementing the New York State Medicaid System into a computerized system, and being about $2 million dollars behind scheduling and I don't know about 2 years behind in terms of actually putting the system together I found that probably the major slow-down was not an understanding of the technology but it was an understanding of the little old 50 year old ladies with their coffee cups and pencils who did not want to look at computer print-outs due to shear fear. It seemed to me that there might be a better way to facilitate any kind of change in general and to make it a little bit more sane for everyone involved - whoever was leading it and whoever was responding to it. It was that particular problem that led me to finding Communications as an area that I wanted to pursue and IBM gave me a leave of absence to go back and do some work in the area. So the program that I got involved with at Michigan State was, I guess what you'd call a strategy of Communications. I think communications can be the tactical and technical side of media and journalism, or it can be more the strategy side of helping to plan your use of media, your use of persuasive types of programs, your use of research - how to tie together all the different kinds of information and communication vehicles available to you to monitor major campaign influencing some objective or goal that you're

MARSHALL (cont): interested in pursuing. So that's what led me to Michigan.

BOOTH: Then how'd you get from there into banking?

MARSHALL: It was chance, really. I went back to IBM after graduate school and I was working as a systems marketing rep, and then a marketing rep in selling time-sharing types of computer applications. First, for corporate planning and then second of all for banking and financial institutions - tools that help them to do different kinds of financial modeling, security pricing, etc. One of my customers happened to be Chase, and luck had it that I ran into someone I went to school with who asked me if I wanted a job. I guess at that point in time probably the type of institution I found the most dreary to work for in my own mind was a bank. I never would have envisioned going to a bank. I think what attracted me to Chase was banking in the 60's was very much going through a transitional period. I think the image of the champagne and cavier business - the old boy kind of network was going through a lot of change. Change that probably was initiated by the fact that the business needed to automate. That the nature of banking was very bundled together. We served corporations through making loans and providing all kinds of other services to help them move their money, and I think that that business to manage it effectively just needed to be taken apart and looked at a little bit more closely. Not only that, but with the birth of computers, money could be moved much faster. With the birth of consumer credit individuals who previously would not have been able to purchase goods on delayed terms suddenly were thrust into being able to get credit. I think a lot of these different factors really changed the nature of banking, and continue to.

MARSHALL (cont); I think in the past ten years banking in general, particularly domestically although we're starting to see it overseas as well, is going through a very dramatic change.

BOOTH: When did you get in?

MARSHALL: I joined Chase in 1971. I've been there eight years.

BOOTH: So when you came in, you came in doing -

MARSHALL: I came in doing management development and organization planning. I came in through the Operations Department. Chase had about 8,000 people in its so called back-office. The people who move the papers. Basically there are two kinds of papers moved. Those related to payments and those related to securities. There are all kinds of different ways that money can be moved depending on the type of transaction it's being moved for, but payments per se and then also moving money related to securities per se, required a support staff of 8,000 people in all kinds of cues. There was no automation, I don't go back that far so I don't know the dates of ~~them~~ it, but as the paper factory grew the need for automation - just purely - aside from the cost dimensions - just for control - the need for automation was heavy, very heavy. We had - when I entered the bank to try and help the management of the operations department, the fellow who was managing it, was trying to go through a restructuring and reorganizing. I was involved in such projects as job enrichment, working with some of the clerical staff and supervisory staff to redesign jobs both in a way that were compatible with the organization's goals, but interesting to the people involved.

BOOTH: When did you get your M.B.A.?

MARSHALL: I did it in pieces while I was working for Chase. I finished it while I was on maternity leave, so I got my thesis done then. I have a

BOOTH: Do you have children too?

MARSHALL: I have a 2½ year old - one child - one boy. It's fun.

BOOTH: Do you travel very much?

MARSHALL: I travel less. I travel in the job I'm in now. Yeah.

BOOTH: I'm going from one to - I'm not being very -

MARSHALL: No please. I do travel. I use to travel quite a bit. I went into the credit union job. I left the Operations Department - well, I got involved in customer servicing, to give you the chronology, after I had been doing organizational development, which is a personal support function and one of the things which we found during all the automation of all these little processes moving paper was and probably unique to a service organization that the customer sees not only the sales person but anyone who he has to deal with to service his account. I think probably looking at the consumers side of banking, you're probably more familiar with it. You see whoever opens your checking account, but if you have some kind of an error in your account pop up, you're maybe thrust all over the bank trying to clear it up. This servicing or customer servicing or customer relations aspect of the bank was very, very critical - particularly on the industrial side; servicing corporations and their multiple networks around the world. And I helped the bank to design a fresh approach to that. We did a lot of things to help

MARSHALL (cont): set up a little bit more dedicated and more customer-oriented servicing approach for our customers. Then I was looking particularly at institutional customers and that really led me back into the heart of the marketing function trying to set up really a new business for the bank which was to support credit unions, and we really took it from the product development phase through ~~to~~ how we were ~~are~~ going to approach that market nationally.

BOOTH: Then how did you move from that to international?

MARSHALL: It was - well after I had been making loans to small corporations or small credit unions for awhile, I decided it was probably important to get the banks line on how you're supposed to make loans to corporations, and I went through the bank's training program for lending officers - credit training. When I came out of there, I had hoped to go back to the credit union area again and take over that division. But the real opportunities for growth in the bank were in the international area. The bank had gone through a very major look at serving institutions around the world and I think that the presumption had been - well, if you look at the nature of banking during the late 60's and early 70's, the thrust of banking - major life-blood income to a bank came from multi-national corporations. U.S. corporations who had gone overseas, and needed financial support from banks. And we followed them overseas. We assumed, or we really were focused on the corporate side of the business. In 1978 Chase took a fresh look at - well, what about other banks that we also do business with and Chase has I believe some 3,500 relationships with banks around the world, domestically and overseas. Is that a business that's going to dry out, after all don't banks deal with the major money-centre bank like Chase simply because

MARSHALL (cont): they can't do something themselves? And the presumption had been that as banks would grow overseas or in the United States they wouldn't need us so much any more. A major study was done by the bank in the late 70's, and basically they found that probably wasn't the case. Most of our customers found, overseas anyway, that as they grew their need for correspondent banking services, as we call it, would also grow dramatically, and they would need - particularly related to the growth of trade - more expertise from a New York bank like Chase. Much, much more expertise. Much much more servicing to enable them to become international banks and indeed do what we did, support their local corporations as those corporations grew and traveled around the world. So it's a reverse type of a situation, but it's a very growing business for the bank and it's one that had opportunity in it so I joined that business line.

BOOTH: I'm really struck by your ability - I always see banks and big institutions and people sort of getting stuck.

MARSHALL: Pigeon-holed.

BOOTH: Yeah, and it seems like you must be a very creative person and a person that can obviously move into different areas and use your obvious instinctive intelligence in doing a lot of different things.

MARSHALL: Funny, yeah. Honey and I were having lunch with a number of people from Chase last week, and Honey said something like "God, there's so much structure, so much structure in this big organization". Her business is only her business and the people who make her business work. But I think I told her

MARSHALL (cont): at that time that it is not so dissimiliar from a major corporation in terms of the need to network. You know, modern corporations were patterned after the military and the whole chain of command became a very linear one as a result of the need for order in the military. This was the model that was used. Most of the people who, it may be a gross misunderstanding, misstatement, but a lot of people who are corporation heads today were ex-World War II leaders who were used to managing an army. I think that as businesses have become more complex the organizations have become more complex. People need to network. Power is a little bit more diffused. I think were seeing maybe small, but an increasing amount of different types of people being included in the corporate structure., that introduce a lot of different values to the corporation and people are networking within corporations, I think. And they're doing it maybe around different kinds of goals and objectives, but to get anything done it has to be self motivated. We have a - well, perhaps not a strange one but we have what's called the matrix organization at Chase where people will report to two or maybe three different people, and I think that - a new employee coming into the bank the other day asked me what is "the matrix". And I think my response was - I really don't remember, because what it basically means is rather than worrying about who you report to you really just worry about what you want to do, and find people around who can help you do it.

BOOTH: But you can create that yourself as opposed to waiting for people - I mean it's not like your told to do this and you that and if you don't do that or if you think about doing something else there's no support - I mean it sounds like there's support for people.

MARSHALL: Well, I don't know. My experience has been that when I followed a very simple rule I've been successful at the bank, and that is look to taking jobs where I can make the widest contribution. In those jobs I have found - well they have been characterized by a number of things. They usually involve starting up a new situation or managing a major change, so that implicit -

BOOTH: You obviously have the talent to do that.

MARSHALL: Well, intrinsic in the change itself is the ability to go from one place to another and the fact that there is an established way of looking at things.

BOOTH: And that's what you like.

MARSHALL: I like it, I like it.

BOOTH: ..... would much rather not get into those situations.

MARSHALL: But, I don't know. I've always tended to place myself in those situations, ~~then~~ and I find them rewarding.

BOOTH: What about the international area, particularly, well, I'm just really interested - you know the whole situation of banks in third world countries; that's a dimension I've been sort of specializing in - in communications involving the developing countries. But you could go on and on and get too far away from sort of - well, it says particularly related to expanding roles of women around the world. But I mean do you see any relationships between what you're actually doing in the international area in really making a difference

BOOTH: in terms of the lives of people in these countries? Particularly women and Chase having some -

MARSHALL: Let me - Chase - probably ~~the cause~~ because of David Rockefeller has had a somewhat unique position on lesser developed countries. Chase has personally or as an institution, been heavily involved in developing countries. In addition though, I think David Rockefeller, and I know Bill Butcher, our new President, and who will be our new Chairman when Mr. Rockefeller steps down next year, have been quite vocal in trying to encourage, particularly international agencies to invest directly in developing countries. I think there's a commonly -

BOOTH: Do you mean international agencies?

MARSHALL: Well, such as A.I.D. or such as the World Bank, or -

BOOTH: But I mean that's what they are in the business to do. What do you mean to invest -

MARSHALL: Well, I think that there's been a problem or there's been a -

BOOTH: You mean supporting what they do instead of -

MARSHALL: Well, encouraging it, encouraging. I think there has been a lot of pressure from a number of places to halt investment in lesser developed countries because of fears of bankruptcy. Particularly where there is a lot of political instability, and I think that Rockefeller's position has been that bankruptcy is not the problem. By developing an economy and investing in the development of economy you insure stability. Not bankruptcy. And he

MARSHALL (cont): gave two speeches on this particular point this last year, and I know Butcher's giving one I think in February trying to -

BOOTH: I'd really like to see one of those speeches.

MARSHALL: I have a copy of one of the speeches with me.

BOOTH: With you?

MARSHALL: Yeah, I'll have to take a look at it, I brought it with me.

BOOTH: Butcher came from the bank?

MARSHALL: Oh Butcher has been a life person with the bank and he'll be taking over the Chairmanship. But they are very active in trying to foster that type - The press ~~countries~~ coverage towards lesser developed countries has not been very - I think you mentioned before - It hasn't been very good over the past couple of years. It certainly has created a lot of fear.

BOOTH: Yes, and I think that the more I'm getting into this the more I see that the U.S. is an insulated kind of country and that - you know I really got into this because I had been working as Press Secretary to Paul Songas, who is Senator from Massachusetts. I was his Press Secretary in the House and his speech writer in the Senate for awhile, and I have a background in Latin American studies and Spanish and was interested in Latin America anyway. But Paul had been in the Peace Corps in Africa, and I was doing a lot of communicating about Africa for him and I noticed that 1) the press didn't know anything about it and 2) everytime he'd go home he'd have to pretend like there was - you know Ethiopia, I mean that's the southern part of his district - who cared - but aside from that it was like you cannot be

BOOTH (cont): re-elected if you're interested in Africa and you're from the 5th district in Massachusetts, and every time the Foreign Aid Bill came up you know, and I mean it's gotten worse, so when I left Songas (sp) staff I - let me turn this tape off -

BOOTH (turns recorder back on): Let's try to complete this because you and I can talk more informally later.

MARSHALL: Well, for what you're doing though, lending in a developing country is very different than lending in the United States. Primarily because it's difficult sometimes to ascertain where the risk is in making a loan. There's a whole complicated - which I'm sure you're familiar with - country risk limit which is allocated by the country and then again is allocated to different lending institutions which specifies the maximum amount of outstanding loans we can place in any one country and there are a lot of things that go into that calculation, but certainly the number of non-paying loans, the past record of risk in that country certainly influenced it. But in developing countries even if we're lending sometimes to a bank or to an institution ultimately the risk lies with the government because you're really lending to extensions ~~to~~ of the government. It's a very clubby, personal type of situation and I think there may be ways to influence different people in the network who are doing business with the country through educational types of things and dinners and those types of things that informally will ultimately influence so much perception of the actual risk in the country because there are some very - and again this is only my guess about it, but I think that - For example, if - I'm thinking of some of the German banks that - there have - The thing that makes it worse is that during the past few years there have been some

MARSHALL (cont): bankruptcies of foreign banks that were allowed to happen.

BOOTH: You mean in developing countries?

MARSHALL: Well, in developed countries, not only developing countries. So that the general notion of lending overseas I think has some risk associated with it.

BOOTH: Well, of course, now with the whole oil thing and the recycling of money and isn't that just -

MARSHALL: Oh, it's complicated, terribly.

BOOTH: Yeah, it's even more difficult for developing countries to get money.

MARSHALL: I think, I don't know in the - yeah, I could give you someone in Chase to talk to who might - not Kevin Corrigan, but Joe McGinnity, who is the Division Manager of Canada and the Caribbean.

BOOTH: Oh, really, I'd love to talk to him.

MARSHALL: He's a traditional banker for some years, and a very savi banker. He worked in the Philippines as the country manager, but he's managing loans to that area of the world and all the business that we support th~~rough~~to it.

BOOTH: How do you feel about women taking the risk of becoming self-employed or creating their own enterprises, particularly when you look at developing countries. I mean is that something that you would advise women to do?

MARSHALL: I think ultimately probably the success of a business stems from the personal drive of someone to push the thing through in spite of great opposition and in spite of a lack of support by other people around them. I

MARSHALL (cont): don't encourage someone to get into any kind of a new enterprise to get away from something else. I think that's a sign of guaranteed failure and that's developing or ~~in~~ or developed countries. If one's reason for starting a new business is to try and get away from the hassles of corporate life, or the hassles of being at home with the kids, I think that probably dooms you to failure. So I think that the - the reason for entering the business has to be the drive to want to run the business in the first place. I think in developing countries, though, if you have the drive--in certain countries it may be easier to get financing than in developing countries for this reason. A lot of developing countries are planned economies with central economic goals set by the government and financial institutions by law must ~~play~~ place certain amounts of money into certain pots, for certain purposes. So through a private industrial development bank or some other form of extension of the government through a separate institution, funds may be more readily available to a woman or to individuals who might get some form of special attention, so indeed it may be easier. I would think in developing countries probably some of the social barriers may be equally or if not more difficult than the financial barriers. Certainly where there are heavy class or castes in the society that doesn't recognize the woman as financial or business leader - this is probably the greatest obstacle to overcome. It's an interesting double standard in some cases. I think I have found that I deal a great deal in the Far East and it may be possible for a Western woman to deal as a business person in certain countries in the Far East where a local woman would not be able to deal in business because of cultural barriers, simply because the local people have learned to understand that this is part of the

MARSHALL (cont): American social scene and that women can legitimately carry the authority of the corporation, and therefore will accept them as equals or as business partners.

BOOTH: What about in Japan?

MARSHALL: Definately in Japan. In fact that was one of the examples I was thinking of. We can do - a woman could do business with - I must admit, I now have about 11 tie tacks from Japanese bankers who come to the United States and have given me a present, so they're not expecting to deal with women, but they will if they feel the woman has the authority of the corporation behind her. We have a lending officer now covering Bangledesh, India and the sub-Continent, which is - talk about - it is a young, under 25 year old female who covers the sub-Continent. And she has dealt with - she is an authority of the Chase Manhattan Bank, because she is able. She lives in Hong Kong and travels regularly to India and Bangledesh and -

BOOTH: She's American?

MARSHALL: She's American and is accepted as a viable person. I have found in my own travels overseas, perhaps the less understanding of the group are American ex-patriots who've been overseas for 15 years and have not caught up with the social changes that have occurred domestically in the United States - as being the most difficult people to deal with overseas, but not the locals per se.

BOOTH: What do you think about women just not having - I mean, talking to Jennifer, talking to Honey, knowing myself and where I'm lacking in terms of my own business, it just seems like we're absolutely ignorant on the financial

BOOTH (cont): side. I mean, and I don't even think that it's only "well you know, we don't have a formal education." It's almost a mental block. I feel it anyway, that I developed - apparently you didn't. But you know that stuff that I just sort of went unconscious about because I never thought I'd have to deal with it or because girls didn't have to learn that, or you know, whatever it was - but I mean I really think it's a serious handicap, if you want to call it that.

MARSHALL: No, I think it's a good point. I think women - finances accord an analytical skill and women have tended by test and by choice stayed away from. There's no way you can get around a knowledge of finance to some extent. But I think that probably the preferrable approach for someone starting a business is not to go out and learn finance in general, but to try and understand how the business flows and then learn how to describe those flows in financial terms. Finance is really a very simple discipline, based on some very simple pragmatic understandings of the way (Side A tape ended here).

MARSHALL (Begin Side B):...financial statements. A balance sheet. A balance sheet simply is a listing of all the possessions on the left-hand side of value to a corporation, whether you own them for a short period of time - i.e. less than a year, or a long period of time - more than a year. The right-hand side simply who you owe money to, whether it be short-term - your suppliers, or long-term - some of your creditors, or indefinately - people who are providing equity to the firm, your stockholders. So I think very fundamentally that's a listing that someone ought to understand. Secondly, your P and L statement - for on an annual basis what revenues are coming into the firm by

MARSHALL (cont): any way, shape, or form - it could be sales. What expenses do you incur in producing those revenues, and what's the difference - adjusting for certain taxes what's left-over. And I think the third statement that's very important, and probably the most important to really understand the operations of the company - the cash-flow statement. Month by month what are the specific items that you're paying for and the specific monies that are coming in and how do they balance and if there is a deficit for a short period of time how over the long period of time do you expect to fill those gaps? And a cash-flow projected at five years in terms of the growth of the company per se how do you expect to finance the assets you need to grow. I think if someone understands that basic level of finance it's going a long way. I think the second way though, to probably attack the problem if you're serious and have a long term venture in mind is that you do what's called balancing the line. Bring someone into the business on a part-time or on an advisory basis that understands more about finance and can supplement the gaps that you have.

BOOTH: Yeah, I mean I just thought I'd really like to get an accountant in who could take me through the steps, at least initially. Now I imagine that most women starting their own businesses would certainly do that.

MARSHALL: Well, you know it's funny. I think probably a course in accounting - there's something very strange to finance and accounting. It's a discipline unto itself, after having gotten a degree in business, having been around the business world for a long time - going back and taking extensive courses in accounting still has many foreign sounding terms and jargon and all other kinds of things. And it's a game like any other game and any other discipline.

MARSHALL (cont): I mean you can study sociology and it has its nuances and its own in-bred wording structure and vocabularly and accounting has it in spades. But I think you could probably take a basic accounting course at any business school plus maybe a course in non-statistical working capital management and have the basics. You're not going to be a financier but you're at least going to understand the jargon and not be afraid of it. Any decent business school will probably offer a one or two semester course in accounting.

BOOTH: When you talk about providing a bank with some kind of expertise, would the bank recognize that if I said I took these courses - would they - I mean see, I've got the expertise as a Communications person, but I don't have the expertise as far as being a business person goes, you know. And I don't know how I can learn that unless I go out and work for -

MARSHALL: I don't think you want to go and become an accountant for awhile - that's a lot of time that spent --

BOOTH: Yeah, that doesn't seem practical to me, and yet - sure, somebody would look at me and say, well, you know you're business is blah, blah, blah but you don't even have a cash flow chart. I mean, how are you going to get that.

MARSHALL: Well, I would think you know, certainly having a couple of courses gives - you know, you could check off the check list that you've made the effort, but I think it's more important that you can use the verbage in describing the business. I mean if you're going into a Communications business, let's assume that you're going into advertising or a print shop, a graphics shop,

MARSHALL (cont): or training - any one of those fields. First of all, what are you actually selling, I mean is it a set of services. Where is your primary revenue coming from? Is it from placements of ads. Is it really advertising that's the core? Is it services rendered to try and place public relations types of stories in print? Are you - and who is your market and your competition?

BOOTH: A lot of it's jargon?

MARSHALL: Yeah, well a lot is just a matter of sketching out what the business is and what the focus of it is and where you expect the money - the profits of the business to come from. And you can wrap the jargon or you can deal with an accountant to get comfortable with using the jargon without a lot of formal training, but I think what's important is not the jargon, but some of the concepts underlying the jargon. If you really understand the business that you're getting into and how to control it, you have to be able to answer a lot of questions that accounting will lead you to. and you really have to have a pretty good plan.

BOOTH: Well I think one of the things - one of the women I talked to preparing this was that especially in third world countries the women just aren't prepared for the next step. They might take it, but they're not quite prepared for it and they go in over their head.

MARSHALL: Yeah, 85-86% of businesses fail, within two years. It's a -

BOOTH: Yeah, even though we've got some successful examples, but it's taking those risks that's important;on the other hand doing it with some kind of

BOOTH (cont): sense that you know what you're getting into.

MARSHALL: Well I think the most important thing is someone's got to demonstrate that they've got the basic expertise that they're trying to sell and if you can't convince the employer that you have the expertise to get a job I don't know how you're going to convince someone to fund you. It's a much riskier situation where you're having to perform a ~~loan~~ alone.

BOOTH: Well, I think in third world countries we're dealing in a different area, but I've been sort of astounded at how easy it's been for me to kind of market what I'm doing and I can really see where if I choose to I can really expand this thing and my idea is to have an international PR firm in New York in a couple of years.

MARSHALL: Oh really?

BOOTH: Yeah, I really want to move to New York. I live in Washington. But who knows, I might choose something else, and that this is -
(Tape was cut off at this point)

Interviewer: Alice Booth: with Jennifer Sheffield.

Booth: I already tested so it should be working so let's just double check - I always get a little nervous. Why don't you tell me the name of the firm that you own.

Sheffield: O.K. The name of the companies are Lineagraph Corporation and Lineagraph School Corporation and my name is Jennifer Sheffield from Houston, Texas.

Booth: And you're the President?

Sheffield: Yes, I'm the President.

Booth: Jennifer, I'm looking at the questionnaire that Barbara prepared and the first question is what do you or your group produce and sell. Please describe briefly your product or service the name of the business and its location. So why don't you just try to give me the overall picture of what Lineagraph Corporation is.

Sheffield: Lineagraph Corporation and Linea School Corporation are both service companies. We sell services of several types. The first company sells drafting design and graphic presentation services. Our clients are primarily oil companies, oil and gas related companies and engineering companies. Lineagraph School Corporation develops technical training programs for very specialized technical areas particularly related to the energy business. We sell these programs in several different ways - either acting directly as consultants to companies in developing programs for them and then we also have our own internal programs that the people come to and pay tuition and then we assist them in finding a job.

Booth: About what size is the business. How many people do you employ; and also in terms of annual volume or value of goods or services sold.

Sheffield: Lineograph Corporation employs around 30 people. Lineograph School Corporation employs around 7 people at this time. The annual volume of Lineograph Corporation as of last year was around $310,000 ~~and~~ in annual sales. The Lineograph School Corporation has just begun operations this year so we don't have a figure on that yet, it's not a full year yet.

Booth: Who started the business and when?

Sheffield: I started the business with a friend of mine who is also a draftsperson as I was. Well, it's been almost six years ago that we started the first company. She and I both were working for other major companies and we got the idea to begin this business as a result of the energy crisis and being continuously asked to work extra in the evenings, week-ends in a very specialized area that we just happenned to be trained in. It became suddenly a critical need for companies and there were not enough people that were qualified, so we decided that perhaps one of the ways of ~~ful~~filling that need was to start a company that would provide services.

Booth: Can you describe in a little more detail exactly what that is. I know in reading your biography it talked about rather technical - I'm trying to think - was it geo-physical design or - is that the right word? Why don't you tell me what that is and what service you actually are providing to these oil companies and why they would come to you?

Sheffield: Basically the service that we provide is expertise. We provide them with the capability of finding personnel who can do a job. Now we either do the job in our own office or we send persons to their office to work for given period of time which is known in the trade as job shopping. The particular expertise that we have is very much associated with the energy business. We go from the beginning where we provide all of the visual information that is utilized in determining where to drill; all the

Sheffield: (cont) exploration process that takes place in geological geo-physical lease purchase that requires certain types of graphic and visual information. That can be mapping, cross sections, slide shows, studies, reports. From these things, either management or investors whoever the client is, makes a determination as to how they're going to spend their money to drill in what place. So that's the beginning of it. The second part of it then we go into the other aspects of the oil industry - production, refining and transportation. Now, in those areas it's basically engineering kinds of drafting and design work that we do. It's piping, structural, electrical, mechanical, civil, sometimes architectural, but in building facilities all of these things are important in maintaining facilities and of course also developing the transportation systems in pipelines. So our major work is directly related to the oil and gas business. Secondary, we do other types of engineering for mass transit. All in all, our real expertise is taking a very technical idea and putting it into a format that people will understand and that's really basically what we do.

Booth: What kind of training did you have in order to learn how to do this work and then what made you feel that a company such as yours would be viable?

Sheffield: Well, right after I got out of high school and in fact even before I got out of high school, I had been in art for a long time. I had a scholarship to the museum of Fine Arts in Houston for a couple of years and the main thing I knew how to do was draw, so when it came time for me to get out of school I realized or knew that I would have to go to work and certainly that know one would pay me to be a secretary because I wasn't very good. And at that time it seemed like that was the only other option for me.

Sheffield: (cont) So I decided to take some drafting at the end of the school year and I liked it and I decided that that would be a good field for me to be in because I could use my drawing abilities. When I got out of school I found that it was much more difficult than I expected to find a job because without any experience you can't get a job in a technical field. So I worked for a Gulf Oil Company and then about 8 months after I worked for them I had gotten a call from a Company and went to work for City Service Oil Company as a trainee. They did on-the-job training in drafting and this was in geological and geo-physical drafting. So I went to work for them and I worked there for a little over six years and got most of my technical experience from there. In that company I worked in the on-shore off-shore departments; exploration, development, production; also in the paleontology; I just was moved around a lot, so I got a very broad range of experience and having been very familiar with the oil industry for a long time then this just sort of added to the education. After that I worked for and Engineering Company and then also worked for a Pipeline Engineer Company and started the business. So the experience and the knowledge just came from actually on-the-job training.

Booth: Was it very unusualy to find a woman working in that kind of an area - drafting in those days. And how old were you when you started and how old were you when you struck out on your own?

Sheffield: Well, let's see. When I started I was 18. That's when I got out of school and went to work full-time. Then when I started the business let's see it's six years so that was 1974 and six years ago I was 25. So during that period of time I really didn't have any idea that I might do this. It just kind of came as big a surprise to me I guess as it was to

Sheffield: (cont) other people. Except I had gotten to the point where I had gotten about as far as I could get in the field. There's not a lot of room for advancement certainly without a higher education. Let's see the other question you asked me was what?

Booth: Well, whether there were other women?

Sheffield: Strangely enough there were beginning to be at that time more women. And when I got into this business there was not a great demand for it. It was only after a period of time when we began to focus on really energy problems that companies stepped up their exploration. Back in the late 60's when I got into this, in fact a lot of people were being laid off because it was just quite a transition quite a changeover. There were a number of women of course still, as it was then, this industry is predominantly male and its very unusual to find women in, certainly in executive positions, in the oil and gas business. It's moving but then the particular job that I had was not particularly unusual, and it was generally thought of as a - about the same as a clerical or secretarial position. However that has changed just because of the demand - it has changed the position a great deal.

Booth: So you didn't need an engineering degree to do what you did.

Sheffield: Well, obviously not. But, people who are in a number of jobs that require a great degree of skill and technical knowledge don't necessarily have to have a degree. And there are a number of jobs like that and that's where we focus our training on the jobs where you don't have to have a higher education where you have very specialized knowledge of a certain area. It didn't occur to me - there are times when it occurred to me to go back to school - but I had a family to look after and I was their sole support and then working - and I don't know, school was just not a priority to me. I was

Sheffield: (cont) learning and I think I'll always learn, but I just do it a different way besides going to a regular school.

Booth: What exactly occurred that prompted you to start your business?

Sheffield: Well, the actual happening was just again, the awareness of the energy crisis and suddenly the job that I left because I couldn't make any money became one where people would pay almost anything to get the work done. So that -

Booth: What were you making when you left?

Sheffield: Let's see - when I first went to work I was making $300.- $310. a month and then when I left I was making around $700 dollars a month The highest I made as a drafting person I think was around $900. and that was a very good salary for that particular time.

Booth: So your salary was around $10,000 a year?

Sheffield: Yes, that was considerably better than I could have done in other fields - without a degree. And there's still very much - there's such a demand for people in that area in particular in Houston that the salaries now - that people that go through our training program can easily get a job for minimum $1,000 a month. And this is after a one month training program. Or even more - $1,100 -$1,200 a month.

Booth: And they can move up?

Sheffield: Yes. There are still the limitations, but the thing is there is not a real clear process of how you move up from that place. But that's beginning to change too. Again, the need of people who have the technical knowledge - the larger companies and smaller companies are beginning to utilize their work force better I think.

Booth: So there was this energy crisis and suddenly you were more in demand and suddenly you were working week-ends or nights or whatever - I mean - you know - did it just come out of the blue "Oh, maybe I should start my own business" or did someone come to you and suggest it or what?

Sheffield: Well, between my friend and I we had developed enough contacts that we just began to think - well, you know, if we're going to be doing this maybe we would make more money if we did this on our own and it's so hard to remember because I don't remember there being any particular thing except maybe that I - that it was a challange and perhaps this might be a good idea; but I never even thought beyond a week or two weeks or three weeks - the thing that was of most concern to me was gosh, I'm so accustomed to having that pay check every two weeks. I wonder how I will do, if I don't have that and that was very frightening. But other then that, I didn't have any long-range plans or goals in mind. That seemed to have come later. I guess I felt like, well, if I don't make it on this I don't have to worry about not having a job because there is always going to be work available in this field and so it was I think probably the challange and also the desire of thinking that I would like to be working for myself.

Booth: Why?

Sheffield: I was bored. I realized I was not using all of my capabilities or talents and there was so much more that I wanted in life - not really so much material but ~~what~~ that had to do with the desire for change and just wanting to feel more alive - wanting to experience more and this was a way of doing that; of not being limited. I didn't want anybody else to ever limit how

Sheffield: (cont) much I could make or what I could do with my time or you know, how I contribute - and I think in working for someone else you always have to deal with those questions. I had certain things that I wanted and I didn't want to kind of fit into someone else's plans and I wanted to make my own plans.

Booth: You said you were working with a friend. This was a woman a woman who was working with you or a man - I didn't get that.

Sheffield: A woman. The person I started with was a woman and also the person who originally helped us to get our financing was a woman. I spent about six months looking for money. We had a good idea, and we had no money, no collateral, no nothing. So finally found a woman who was very old - in her 70's, who had some stock and was willing to put up her stock to help us get started as collateral and for that she would become a part owner of the company, or stockholder in the company. That's basically how we got started.

Booth: How much did you get from her?

Sheffield: $10,000. We borrowed $10,000 and we did very well the first 8 months -

Booth: She gave you $10,000.

Sheffield: No we borrowed $10,000 from the bank, but we used her stock to collateralize the loan. That seemed like an awful lot of money at the time but now I realize it's not very much money. Especially she had a lot of shares of stock in Exxon - I mean it wasn't like the bank was taking much chances.

Booth: How did you find her?

Sheffield: She was the grandmother of my brother-in-law which was sort of a semi-family situation. This was my sisters' husbands' grandmother. And she had known us and my brother-in-law had talked to her about the possibility of an investment, and she was wealthy enough that this was not - certainly not anything that would make a major difference in her life one way or the other.

Booth: Did you find the bank was uneasy about giving you the loan.

Sheffield: Well, under the situation what she collateralized the loan with was probably worth at the time $50,000. So banks don't have much trouble with the loans that were collateralized the way that one was. And they seem to - the only reason they were that way was that it was a no-lose situation. They also held her properties and all in trust in the same bank so there was no way that they could lose.

Booth: Did you then raise more during that first year?

Sheffield: No, we continued to operate on that money and we did very well, and of course we used our the profits that were generated went back into the company for the most part. There were some times, I guess after about six months that were pretty tough but we managed to pull through those and not realizing at the time, but realizing it now, the major kind of problem is just the cash-flow situation, particularly when you've got to be in a business that was very dependent on continuing payroll, because that's probably our biggest problem.

Booth: Was it just the two of you or did you hire somebody else right away or what?

Sheffield: Well, it was the two of us to start. First I quit my job and then about a month later - I got things going - she quit her job and then

Sheffield: (cont) we hired another person about a month or so later, and by the end of about 8 months we had probably 5 people working for us.

Booth: And there were like 3 partners?

Sheffield: Yes, two of us were active. The person who was our financier was not an active partner - she was not involved with the business in any way at all.

Booth: Did you receive any "inkind" or non-money assistance? You know what that means? Did your brother-in-law or anybody give you services like accounting or legal services or did anybody give you an office or typewriter or anything?

Sheffield: No, about the only thing that we received from that is in originally developing our proposal, I worked with a man who was a friend who helped us develop a proposal for the bank and how to do projections and that sort of thing, for which he did not charge and that was about the only kind of non-money assistance -

Booth: A businessman?

Sheffield: Yes, he was a businessman.And he had some background in that and he was willing to spend some time to do it.

Booth: Did you then hire a lawyer and accountant - other people right away?

Sheffield: We hired a lawyer to set up the corporation and later - a little bit later on an accountant, a C.P.A. although we did almost all the bookkeeping internally and then they just handled the things - the tax type of things that were needed.

Booth: Did you know how to do books?

Sheffield: No. I had to learn.

Booth: Did you take a course?

Sheffield: No. (Laughter)We just - from the beginning I guess we basically got the information we needed from the lawyer - that we had to have a tax I.D. number and that we had to file certain tax forms and all of that ~~of~~ for which our accountant helped us on that. But as far as keeping the books, from the very beginning I can't even remember exactly what we did, but I'm sure all our bookkeeping was horrible, you know, because neither one of us had any background in bookkeeping, and I still, if I had to do it today it would be the pits, but I don't even remember how we kept them, except poorly and then gradually we began to of course realize that we had to have a better system and began to work on that. And we hired not a full-time bookkeeper, but someone that would come in and help us - usually help us get rid of the mess that we caused you know, and that was the way we began that aspect of it.

Booth: Have you always operated then on that initial $10,000 and the profits and so you haven't had to borrow more money?

Sheffield: Oh no. After 8 months of the first business, the business was going very well, but my partner and I decided to split. We just both had very different ideas about what we wanted from that business. So we dissolved the corporation, dissolved the friendship, and it was really tough 3 months. She sued me and that was only resolved about 6 months ago.

Booth: Did you learn anything from that?

Sheffield: Did I learn anything from that. Yes. It was very sad to want to lose a friend, but I was to a point where I really liked what I was doing then. It was very exciting for me. For one thing I'd never sit behind a drafting desk again, because I brought in all the business. I was the salesperson for the business and I really, really liked that and I had a talent for that and as we began to get more and more business I was less and less involved in the actual production aspect of it and as a result of that my partner - it seemed to her that I was the one that was having all of the fun and she was doing all the work, but at the same time she didn't want to get out and do the sales, that was frightening to her and she didn't do it well and she didn't like to do it so we had our differences and split the business and after 8 months we'd paid back the $10,000 loan; got the collateral back to our financier and had enough money and property, furniture and fixtures kind of thing - we just split everything down the middle and that left about $3,000 of money to operate on plus about another $2,000 worth of furniture, fixtures and equipment. A few of the people who worked for me stayed. A good many of the clients stayed on. Some of the clients went. She did her own thing - some of the clients went there, some of the people went. But it was a complete split and took about 3 months to really get things going again, but during that time we were desperate for some working capital and business was continuing to grow, so finally ended up re-borrowing $10,000. My father put up some property as collateral for the loan.

Sheffield: (cont). There would have been just no way that I could have borrowed it on my own.

Booth: Really, why not?

Sheffield: Well, because you can't borrow operating money when you don't ~~can't~~ -

Booth: Mumbled something.

Sheffield: No, no. Banks lend money that's secured and that's basically, particularly when you have a service company, no matter how good the business is, they want hard collateral to lend money on, so when you don't have hard collateral, you know if we had equipment or something like that, then we probably could have gotten a loan but we didn't have equipment. What we sell is people and capabilities and services so you can't borrow money on people.

Booth: Why did she sue you?

Sheffield: Well it was called unilateral action. That's what the lawyers called it, but it's kind of complicated. She decided that she wanted to dissolve the company and I said, you know, let's talk about it and try to work something out because I really didn't want to lose it. I really liked what I was doing. So finally, she just stopped showing up for work and I began to run it and began to think, you know, how can I .....

(End of Side 1)

Sheffield: Yes, I was trying to figure out a way to continue the business. And certainly because I had a big committment to make sure that the loan was repaid, and I couldn't, I knew that if we just let things sort of dwindle and sort of fall apart, you know, it would be

Sheffield: (cont) very good liklihood that we wouldn't have enough money to pay back the loan and so I had to work very quickly to maintain the business,to keep the money coming in, to collect the receivables, to just really keep the whole thing going long enough to pay off the loan and that was really my major committment at that point aside from the fact that I wanted to keep the business going. So because of that I was - she decided to sue me - didn't think that she had gotten her fair share out of the business. But she did, you know, of course.

Booth: How did you settle it?

Sheffield: Well, we divided up everything but the money, because I continued to operate the business I was in charge of the money and she thought there was more than there was and so when we attempted to make a settlement on the cash, she said I won't except that, that's not enough. So fine, then we have to go to court because that's all there is. So about 4 years later, which was not too long ago, we finally settled and she settled for $1200.

Booth: That was less?

Sheffield: Yes, it was less. Originally I think it was, the split was like $1800 or something, and so she settled for less.

Booth: Has this made you wary of ever having a partnership again?

Sheffield: For a long time it did. Now, the lessons a little bit clearer and that is to be very selective with partners. I have a friend who said God didn't have a partner and I don't quite believe that strongly, but I do think that it is important that you find partners who understand and have the same or similar kinds of needs in the business, that people can fulfill their needs in the business even if they're not exactly the same,

Sheffield: (cont) provided that they don't conflict. You know, maybe they complement one another, but our needs were very difficult, very different in that they really conflicted.

Booth: Did she go on and create a successful business on her own?

Sheffield: No, she works for another company and has since probably 6 months since we split.

Booth: But what's interesting to me is that it sounds like your talent for marketing and sales and that's, I don't know whether that's key to having a business, but from what I understand it's certainly one of the most important elements - was something that you didn't really know about yourself until you did it. Is that true?

Sheffield: Yes, that's right. Because the kind of work that I had done -- well, I had had some selling jobs when I was all through high school, I had worked in retail sales, that's the first kind of job I always had. I always enjoyed them, but when I began to get out and meet people and just realized not only did I like it very much but I was good at it and I could get work, so I found out that I really enjoyed it.

Booth: What do you think it takes to be a good, I don't know if you call that a salesperson or marketer or whatever it is. What are the qualities?

Sheffield: Probably confidence. Not ever saying, always selling. I never tell people there's something we can't do. I guess I've gotten a little bit more sophisticated over the years that I realized that some jobs aren't quite worth having. So I don't take anything. But, I think it really boils down to just confidence; that you got to go in and convince people that you can do what it is that they need. Especially in the service business because you're not selling a thing, you're selling really in a

Sheffield: (cont) service business what people want is to know that you can accomplish whatever it is that they need, and they want to be able to let go of it and say, gee I don't have to worry about this because I know it's going to get done. So that's - in my particular case I think I can convince people that 1) they can trust me and 2) that they can relax.

Booth: Does it help or hurt being a woman?

Sheffield: As far as selling? I think it's been an asset for me. Of course, I don't have anything to compare it with because I've always been a woman. I can't say, gee it was like this before, but I've talked to salespeople, both men and women, and I don't think there's any particular difference. Sometimes it is an asset because its an oddity and it may be easier getting into an office being a woman than a man. But it may be easier to get in, but at the same time it's I think a little more difficult to convince a person that you're there and you can compete and you're a viable business. They might want you to come in because, you know, you're a pretty woman, and it's entertaining to them, but when it comes down to whether they're going to buy your service , then that's a whole different matter. They'll go to Joe Blow or whoever. Not because they provide something better but because they take them seriously. But I think for the most part I have overcome that very easily. You know, in the beginning that was a little tough but I've learned.

Booth: You've overcome it by reputation or by confidence or what?

Sheffield: I think I've overcome it by proving myself and my company to the people we work for. Most of the business we get - we get a lot of business from referrals and the best way to sell something - you know to

Sheffield: (cont) get return sales is that you've got to give people what they want the first time and after that point it doesn't make any difference whether you're male female or whatever. What makes a difference is that the job got done, and that it was reasonable, economical and efficient.

Booth: And when you talk about going out and selling how do you actually market and advertise, I mean do you have strategies, or do you just sort of call people. and do you, do you, who do you, do you see the top honcho in these companies, or who do you see?

Sheffield: Well, I don't do. Right now I have a sales and marketing force. I have one full-time sales person and just recently, in fact, just right before I left I hired as a consultant a marketing - a sales marketing - person for the company who will act as a consultant for this month with hopes that we'll be able to hire him in a full-time position. So we are developing a really serious type of sales strategy. Up until this time we had done direct mail and direct sales have been the way that we have developed the business and of course a lot of that resulted in good referral business. Generally as far as who we sell to, every company is a little different, so you have to do research as well; find out who you sell to. Sometimes it's the purchasing agent, sometimes it's the drafting manager, sometimes it's the Vice-president, sometimes it's the President. It just depends on the company and the size of the company generally that makes a difference on who we, who has that responsibility for outside services.

Booth: Did you know all this? Is it something that sort of inspires hiring say a marketing or sales person or whatever. I mean is that just gotten to the point where you needed additional help in handling that you can't do it all yourself or you just decided you wanted to move into new markets and

Booth: (cont) you want to expand?

Sheffield: Well, it's a little of both. I can't I don't have the time anymore to be an outside salesperson, and the area that I really develop is the promotional aspects of the business, the long-range development of it. If I do that then I don't have time to daily - a sales person to keep a company going must be out there every day, every day to keep the business going. So I hired the person knowing that I couldn't do that job anymore and I looked for someone who could do it equally as well, and hopefully better.

Booth: Was that a man or a woman?

Sheffield: Well, I have a woman who is a sales person and a man who is a marketing person. They make a great team. I hired the woman first.

Booth: When did you hire her?

Sheffield: In January of this year.

Booth: You did it all yourself until then?

Sheffield: Yes until then, and then the man was just hired about two weeks ago.

Booth: Now what's the difference between sales and marketing?

Sheffield: Well, in this particular case, probably education is the difference. The marketing person will also do a lot of selling, but the sales person is our direct person who meets the public, get out and actually bring in a job. The marketing is a little bit ahead of that - they do the research, the planning, the narrowing down of the market. Who does the job? Which is the best job for us to get? Which one are we going to make the most money on? How many jobs do we have to bid on before we're able to bring up our sells to a certain level. They are

Sheffield: (cont) kind of like the first step, and then the second step is the getting out there and actually knocking on the doors.

Booth: What has struck me about this and certainly in doing my own business in a very modified way in the last year, but is how you really start to see that there's always a new function for you to perform and then you bring someone in to do what you've been doing, and it's sort of like this promotional business - apparantly the company wasn't at that level before where you would sort of need to do that, but now when you talk about this long range and promotional, why don't you describe a little bit more what you're talking about specifically.

Sheffield: My goal is to have an international company, within the next ten years and that company will be a people company. The area that we happened to have chosen for the forum is energy, which I think is going to be a big topic for a long time. It doesn't seem like it's going to be an easily solved problem. There will be constantly new and growing and changing technology that - what comes along with that is constantly new and growing and changing jobs and skills, knowledge that must be developed every time that a new piece of equipment or a new idea or a new product is formed then there must be people who understand that, there must be people who can perform the work with the product or piece of equipment. So that's really what we're doing is attempting in our training to answer some of the questions of how do you stay up with the technology, how do you bring people along with the technology. So my part of the job as I see it in developing this is beginning to move up and sort of clear the way, find the paths to the areas that we want to work in in the training and development in the United States and also in other countries, and again particularly related in the energy business.

Booth: Does this mean that you're looking at other areas besides oil exploration.

Sheffield: Yes, yes not at a great deal at this time, but we do work in coal and minerals. Some work in nuclear. Some in chemical, which is again, is kind of geo-chemical and that ~~makes~~ it's oil and gas related. But I'm sure that almost any type of energy either exploration or energy development requires the same types of things that we do, and it requires people and skills ~~who~~ for the technology.

Booth: So you would still call those people draftspeople?

Sheffield: Yes, almost every field has some type of draftsperson and basically what the draftsperson or design person is kind of a step beyond the engineer. The engineer has the idea and the drafter and designer puts it in a visual form that either from that form it gets built, it gets studies, it gets decisions made about it, whatever.

Booth: So are you really into projecting what's going to be what's coming up in the next 4 or 5 years in terms of energy development and then figuring out what people they're going to need, and you plan to have the service company that's going to provide the people power to perform those jobs. Is that kind of what you're talking about?

Sheffield: I think that's very accurate. That's exactly where my interests lies, as I say not only in the U.S. but in other countries, in particular developing countries where energy will become important and already is important, but one of the problems has not been being addressed as much as you suddenly have a tremendous potential welfare. How do you bring the people along with that. How do you train them so that this will be an asset to them not only economically, but that you consider their social and

Sheffield: (cont) cultural aspects as well and provide a higher standard of living for those people, or allow them to provide their own higher standard of living by being able to do a job that was not even there before.

Booth: So are you talking about actually rather than training people in this country to go work in developing countries you're talking about training people who can go over and train people in those countries?

Sheffield: Yes, both ways. I think in the U.S. we train people who go right out and go to work. My idea ~~of~~ for developing countries is that we would train the trainers and in some respects we may have our own trainers that would go and go directly into the company or into the countries that are there. But there are so many ways of doing it. The thing that's maybe a little different is that we're looking at a very specialized area, a very technical area and again jobs that are definately entry level where people can come in with a small amount of education and become productive quickly.

Booth: Have you sort of figured out where you're going to go as far as countries go?

Sheffield: Well, we'll probably go anywhere where there is potential energy sources. There's already some countries that have shown an interest that we've developed contacts with and are beginning to show an interest. Immediately our biggest market is going to be the United States, I mean it is and of course -

Booth: We are an underdeveloped country when it comes to energy these days.

Sheffield: Yes, and especially where we are located there's in Houston alone there are about 400,000 new jobs being created in the next 24 months

Sheffield: (cont) and there are not enough people to fill those jobs, there are not enough qualified people to fill those jobs. So that's a tremendous market for us right there. We don't have to go outside our doorstep.

Booth: But those are all people being trained to do what you -

Sheffield: Those are jobs period. But when you have a city that is primarily run by and for energy companies, you know the major portion of those jobs are going to be found in energy-related companies.

Booth: Have you - let's go back to financial for a couple of minutes - have you taken out any more loans since that - we got to your second loan which was also for $10,000 which you got with your father's house as collateral. Since then what have you done?

Sheffield: Well, about two years ago, we got an S.B.A. loan. I had applied for a loan at the S.B.A. for $20,000 for the company and for $40,000 just to start the school. I got turned down on the school loan because we didn't have collateral and the company - we didn't get the $10, I mean we didn't get the $20 - we got $17,000.

Booth: What's an S.B.A. loan?

Sheffield: Small Business Administration.

Booth: What makes that different than getting one from a bank.

Sheffield: What it basically is is that the S.B.A. or the federal government guarantees 90% of the loan. The bank actually makes the loan and carries the paper and you pay the bank, but if you don't make it the S.B.A. says to the bank, we'll pay off 90% of this loan if they go broke. So it's just really insurance for the banks that they will get paid back.

Booth: Is the interest the same as any old bank loan?

Sheffield: Well, at the time we got our loan, it was a little less, it was 10%, which was a little less than what it was then at a bank. But it's right now, I think, about the same as a bank. It's going to be, it has to be or it wouldn't be of interest to them.

Booth: So you did get that, but you didn't get money for the school. How did you start the school?

Sheffield: Lineograph Corporation has financed the school completely. In the past year we've put about $40,000 in from our own operations into getting the school open. All of the last 3 ½ years has been spent developing programs and planning and research for the school - not all of my time but a portion of my time, a portion of the time of other people, and a portion of the time just educating myself ~~of~~ on the whole need in this particular area for specialized training. There's so much of it that I can't say ~~whose~~ was even - I mean we can't put a monetary value on it because it's research and development. But we have as of yet gotten no funding for the school, either borrowing or investment.

Booth: What were the terms of the S.B.A. loan.

Sheffield: They take your first-born child (laughter) No. It's an installment - monthly installment - $370 a month for five years, I think You can get up to 7 years on an S.B.A. loan or 5 to 7 years. The collateral was everything that you had - literally - everything we have. The have blanket receivable, they have all of our furniture and fixtures -

Booth: But S.B.A. - in other words if you default on the loan S.B.A. will pay it or you will pay it out of your company and then if there's nothing left then -

Sheffield: Well, if you default on a loan, then S.B.A. comes in and closes the company - kind of repossesses it you might say - then of course they sell off whatever they can, whatever they can do and then hopefully they'll make up the difference if there is a difference to be made up and of course that has to come out of the government money but that's not a real common thing to happen. Most companies who have S.B.A. loans, they're restrictive enough that the worst that can happen is that the loan is paid off.

Booth: Did you find that it was easier to get this S.B.A. loan than your previous loans or why did you go to S.B.A.?

Sheffield: Well, I couldn't get a loan at a bank even though I had paid off the loans I had gotten before because again we don't have collateral.

Booth: What would be collateral if you had your own?

Sheffield: Property, machinery, equipment.

Booth: Because you're a service you don't have any of that stuff.

Sheffield: No.

Booth: Do you have an office?

Sheffield: Yes, yes, we have an office .

Booth: Do you own the building?

Sheffield: Yes, we own the building, and again banks are not too keen on taking second mortgages or anything like that either.

Booth: When did you buy the building?

Sheffield: I bought the building last year and that was probably the best financial deal I've ever made. We were a tenant in the building for a year and had done a lot of work on fixing up our own office. In fact, we did all of the work on remodeling the building ourselves and I knew the building

Sheffield: (cont) was for sale, and I knew that the person who had the first option to buy the building wasn't going to be able to buy it. So I approached a friend of mine who in Houston has a Real Estate company, investment company and told him of the situation so we made ~~the~~ an agreement that he would buy the building and then sell the building to me with no money down and carry the mortgage.

Booth: He would carry the mortgage?

Sheffield: Yes, that his company would carry the mortgage and that we would course, you know, he holds the mortgage on the building.

Booth: Are you paying him a certain amount?

Sheffield: Yes. We pay

Booth: Is it more than what you were renting?

Sheffield: Oh yes, but we have the whole building. Right now we presently occupy ½ the building, where at the time that we rented the building we only had ¼ of the building. By the end of this year we will occupy 3/4 of the building and within - I'd say within a year - or within 2 years we will occupy all of the building.

Booth: So he gets the deductions, the interests for the mortgage and so on so it works out to his advantage in that way?

Sheffield: Oh well, certainly he's an investor and that's - I mean carrying a mortgage - that's his business. For the corporation - the corporation owns the building, but we pay the money to him.

Booth: In terms of getting these additional loans were they for buying new equipment or where does the money go?

Sheffield: Mostly it was operating capital.

Booth: What does that mean?

Sheffield: Well, it means in our business that if you get a job and in order to get a job you have to hire 10 new people, then those people like to get paid, and if you get a job, then two weeks later you have to make a payroll, and two weeks after that you have to make a payroll and two weeks after that you have to make a payroll, but yet you don't get paid within 60 days - that's what operating capital is - our cash flow. We borrow money to assist us in expanding the business, the growth aspect of the business, which it has always grown from 40 to 60% every year at least that much.

Booth: You're the sole owner?

Sheffield: No, I'm a major stockholder and I have a couple of other stockholders. The person who holds the mortgage on the building is also an investor in the company.During the same time that we purchased the building he bought some stock in the company and his company itself is a stockholder and also one of the vice-president's of his company who is a woman is a stockholder in the company as well.

Booth: Now what does that mean that there are stockholders? What percentage of the company do they own?

Sheffield: Well, at this time I own 51% and they own between the two of them 49%.

Booth: You mean you make all the policy decisions?

Sheffield: Yes, I make all of the policy decisions in the day to day management kinds of decisions. They are not actively involved in the business, they are purely stockholders. Now, of course if I wanted to go out and make a loan and anything that they would be directly liable for

Sheffield: (cont) in some ways, or anything that they can assist me in decision making - that they have better knowledge, like particularly in the real estate aspect of it, then certainly I utilize their advise very much.

Booth: How do you actually sell stocks to other people in your company, I mean do you give them a certificate or what. I'm trying to visualize what that is.

Sheffield: Well, if you have a corporation then you issue shares and these are pieces of paper basically that says, you give me your money and I'll give you this piece of paper that says you will own a part of the company. Then of course, if the company does well then you get dividends from your stock.

Booth: The final question is from your experiences in starting a new enterprise, what would you do again and what would you do differently. Now that you have more experience.

Sheffield: Now that I have more experience, and that can be the only thing that can really determine how I can do better or have different ideas then the things that I would probably do differently.....

(End of Side 2)

Booth: We are finishing up with a question about - from your experience in starting a new enterprise what would you do again, and what would you do differently?

Sheffield: As I was saying the thing that I would probably do most differently would be to use my experience and knowledge in knowing that for a business to succeed more planning is required, that you must

Sheffield (cont): have a stronger sense of what has to come next, what steps to take. What has worked and what has failed in the past and when you don't have that before, then you just try everything and make the mistakes and hopefully you learn from them. So in starting something new you have a basis to work from and usually your basis are the things that work well, and utilize those. For me, one of the things that has worked best is 1) to find the people who can offer the things that I would need for a successful business: the type of capabilities, the experience, the type of mental attitudes that are necessary for success and that is surrounding myself with people who believe in themselves, who have good capabilites and who want to succeed as well. Secondly, then doing some long-range planning in both the financial and management and marketing aspects of it which I am now doing in my business. It's difficult for a business to make it kind of operating by the seat of their pants. Some businesses survive and certainly start like that, but I think most businesses have to begin to become more sophisticated in their planning. So I would start out that way.

Booth: How many people are you training right now in terms of your school? Or what are your projections on that?

Sheffield: Well, the past semester which was three months and we're doing strictly workshops - those are like from 12 to 20 hours of special workshops, we trained about 50 people in these workshops. This time we have the same series of workshops over the next three months that will be offerred and all the classes are small. We do no more than 15 people at a time - we have to have a lot of one on one, really intensive kind of skills training where a lot of their classroom time is actually doing.

Sheffield: (cont) This time we'll have, let's see, we'll probably have around 70 people - 75 people in this semester. Again, we're offering only evening classes. When we get our daytime classes started that will be a full time 140 hour session that we will offer every 3 months and then our next program - the main goal is of course keeping the school, the actual facility filled as much and as often as possible. And again, the classes are small so that requires day-time and evening classes working with whatever the most ~~exceptable~~ acceptable kind of schedule for whatever kind of training we're doing and who we're marketing that to - if we're marketing it to people who are directly out of school and need a fast training session where they can go to work immediately or else whether we're doing upgrade training and people are coming right out of companies and coming to school in the evenings for a couple of weeks to learn a special skill so they can get a promotion or whatever it is.

Booth: This is profit-making, I mean, this isn't just helping people get training for jobs? You're not getting any special funding or anything for that?

Sheffield: Not as of yet. It is a profit-making corporation. Well, I'll say it's set up as a profit-making corporation (Laughter). Well, I hope it will be a profit-making corporation by the end of the year. It certainly can be. There is definately the market there. We are receiving no special funding although we have had a considerable interest from the federal government in the past year in working with the White House Task Force on Youth Employment. They are very interested in our idea of training for young people.

Booth: When you talked about what you had learned after how many years you had been in business - you talked about your failures - have there been any failures?

Sheffield: Well I guess that would depend on how you identify failures. There are certainly a lot of mistakes and I don't know if there would be anything that I would identify particularly as a failure except, I guess my greatest failure is not ever being able to acquire enough patience. I always want things to happen faster then they do, but I certainly have made a lot of mistakes and I'm hoping that I've learned from as many as those as I have made.

Booth: What are they?

Sheffield: Well, I think the most critical mistake that I have made as far as the financial aspect - and I think most of the mistakes I have made have been in the financial aspect of it - I think we have done phenomenally well on the growth, the sales, the marketing, the managing is phenomenal now, you know, and I have really made some big mistakes in choosing management people, but I'm very very pleased with the people I have now and I worked at doing that. I knew what I wanted, I figured that out after a period of time and got the people that I needed and they are just really phenomenal. But the financial part of it is kind of the last piece of the picture that I haven't gotten exactly what I want, and the biggest mistake that I made was very recently in going to a bank borrowing some money on a receivable or on receivables and taking the banks advise on how that should be paid. Or I should say not taking the banks advise but taking a banker's advise. The advise that he gave me was wrong and in fact it was so wrong that it has been extremely ~~disruptive~~ destructive to our

Sheffield: (cont): business. Our credit. Basically we borrowed some money on our receivables -

Booth: (Mumble) and how much did you borrow?

Sheffield: Originally we borrowed about $20,000 on - which was about 80% of the receivables we had at that time with the ~~There was an~~ agreement that we would pay off the loan as the receivables were ~~would be~~ brought in. Well, we accumulated the $20,000 and more to pay off the loan, but it was our plan that we would have this as a ~~system of~~ revolving line where we would pay off the note as the money came in and then as we created new receivables we could borrow against the new receivables so we would be continuing paying off re-borrowing and the way this works is, you know, in a growing company, your receivables always - you know, if you're growing then you keep getting more and more receivables.

Booth: Was this the first time you did this?

Sheffield: Yes, it is.

Booth: Because right now we've only talked about the S.B.A. loan. This is a new loan?

Sheffield: This is a new thing, starting in January. Well, no really up in December was when we first started this.

Booth: For $20,000

Sheffield: For $20,000. So we accumulated the money to pay off the note and went to the bank and said, gee we've got the money to pay off the note now, but I need your advise - We've also got these new receivables to borrow on, so can we borrow on these receivables. We'll pay you off with this money, and he said no, go ahead and use the money you have accumulated because you don't really have to pay off this note for another 60 days. So we did that.

Sheffield: (cont) But that was a mistake, we should not have done that. We should have paid off the note, borrowed on the new receivables, but in fact the banker was not familiar with this type of lending. He gave us some very poor advice and it was just almost totally destructive kind of advise, so we're still at this point trying to resolve the problems that that poor advice has created and I guess the thing I've learned most out of that is don't take people's advice as absolute. Find people who know - who really know - who really have the knowledge and experience to be able to tell you what's the best thing to do in the areas that I'm not experienced in. Lending, borrowing and financial management is certainly one of the most difficult areas for me.

Booth: Is there any other loans besides the S.B.A. loan and ....

Sheffield: No, only short-term, again, accounts receivable type of - maybe for 30 days or 60 days, just to help us through payroll periods that were particularly heavy. There were no big loans at all. In fact, that loan was the largest loan that we had ever had. That loan was collateralized by our receivables which, by the way, read like the fortune 500, with every major oil company and many smaller and medium sized oil companies, large engineering companies. I mean, we have - our receivables are very, very good.

Booth: How many clients do you have?

Sheffield: About 100, now. Regular clients. We've borrowed against the receivables using that as the collateral and also personal guarantee from myself and my other stockholder. So it was - I can't say it was difficult to get the loan - because they certainly had good collateral.

Booth: Did you say what the interest was?

Sheffield: Oh at that time it was pretty high. I'm trying to remember what - I don't remember it exactly; maybe 15% - something like that.

Booth: Do you see yourself borrowing more in the next year?

Sheffield: Well, I have made some attempts - all of them unsuccessful since then to borrow some more money. At this time I think probably the best way to finance the expansion of the business which is rapidly growing is private investors and bringing in more equity into the business. It would certainly create a better picture for us than loans. I don't think we could borrow enough money to allow the business to grow as fast as it can at this point.

Booth: How much do you want?

Sheffield: Probably, I'd say around $250,000.

Booth: What would you do with that money?

Sheffield: Well, that would go to a portion for working capital, a portion for some new equipment, a portion for the renovation - finishing renovation of the building, adding on new people, and of course, for advertising and marketing.

Booth: Do you do advertising now?

Sheffield: To some extent. We provide - we do some direct mail advertising which is brochures and occassionally we do some newspaper advertising, but we don't do very much just general kind of advertising.

Booth: Mumble mumble.... Like what, what kind would you like to do.

Sheffield: We would continue our direct mail situation and of course creating a good mailing list is both costly and time-consuming. You know, costly in money and time as well, so that's one thing. Increasing our marketing efforts through direct contacts, probably adding some more

Sheffield: (cont) sales type people. Some magazine advertising would be helpful, I think, but not a great deal of that. It again, is the marketing aspect of it. Getting into the right people, finding out about the right jobs and that takes really hiring expertise. That's where the money would go - hiring the expertise to get the kinds of jobs that we need.

Booth: How much money do you see the business grossing over the next 5 years? What's your prediction?

Sheffield: Well, I have said in 5 years I would like to a company that would do $20 million in sales and I think that's realistic. So that's pretty big growth from this year to then. In doing that, you can see how it would be rather difficult to borrow enough money to have that happen, but I know that it can happen. It's just finding a way to fund the happenning.

Booth: Do you think 5 years ago, if you had thought about a 20 million dollar business you would have thought you were crazy? Or did you have that in the back of your mind.

Sheffield: Not 5 years ago. A year ago, two years ago I began to formulate those things in my mind, and I started thinking what do I want, and I ~~started making~~ set some personal goals for myself and then, kind of -

Booth: What kind of personal goals?

Sheffield: Well, just about how much money I wanted to make in five years, where I wanted to be, what I wanted to be doing. Then it's sort of easy from that point to say, well then if I want to make that much money, then how much money does the company have to make.

Booth: Yes, how do you figure that out. I'm kind of curious about that.

Sheffield: Well, in general it's sort of percentages. You could say well if - what is your percentage of profit. How much sales do I have to do to make this amount of profit. In all businesses it's slightly different.

Booth: What's your profit. Is it percentage of sale?

Sheffield: Yes, our profits are percentage of sales, and it right now runs around a 30 well not 35% profit. But in our business if we can do anywhere from 10 to 35% profit, that's very good. That's a wide variation, but it depends alot on the types of jobs that we sell.

Booth: So how much would that mean you would be making in 5 years?

Sheffield: Well, my personal goal is that I would make $3 million That's what I would like to make.

Booth: In one year?

Sheffield: No, well, I have said that I would like to be worth $3 million personally, not the company. So I doubt if that would be in cash, but that's what I'm looking forward to.

Booth: Can I ask you what kind of salary you take now?

Sheffield: Yes, I pay myself around $30,000 a year plus expenses and things like that. I'm very underpaid.

Booth: How many hours do you work?

Sheffield: Well, I work generally around 50 hours or so a week, actually in the office, and then in the evenings because of children and other obligations - just personal obligations --I do a lot of the planning and reading and studying - all of that in the evenings. So it's difficult to kind of say how much time I spend on that. I really don't keep track of it.

BOOTH Not like a 9 to 5 job.

SHEFFIELD No, no, in fact I dream about it a lot. I get a lot of my best work done when I'm asleep.

BOOTH: This is the beginning of the interview with Honee Chun. We're going to start by asking you to describe your business in just very general terms so we'll have that down.

CHUN: My company name is L'onee Incorporated located at 1441 Broadway, New York City. And mainly what we produce is women's wear. It's made with 100% silk. We make dresses and separates. I just got into producing hand knit wool sweaters for women. It is really quite beautiful. It is all coordinated, each other. That's product, you know, we making. And then, who we're selling it to, mainly we're dealing with fine department stores and specialty stores all over the country. Then we sell to Canada. That is our market. And how we, marketing is .. I have a showroom in New York, 1441 Broadway. We have sales people. Then I have a rep in California and Dallas. And in Canada, they buy themselves. They see my line and open letter of credit directly to Korea to buy from them and then I get commission for the designing. That's how we work.

BOOTH: What is that? I don't understand how that works.

CHUN: Because they're buying my design.

BOOTH: Oh, and then they

CHUN: But they buying my merchandise from my manufacturer in Korea. So what they do is they just paying me the commission for my design.

BOOTH: Tell me a little about the size of the business in terms of volume of sales and so on and what you project.

CHUN: This year we will project to have around $700,000 in volume and next we would like to do double. That's our volume. And what else would you like to here.

BOOTH: Why don't you give me a little background as far as history goes. When was it that you set up the business and what happened at that moment in your life that prompted you to do it?

CHUN: What my training was that I was promoting Korean silk industry with my government. So I was dealing with Korean silk fabrics first. Then I made the garment, like a silk garment for Diane VonFurstenburg and Gloria Saks and all those people. Doing that I learned the business. I understood marketing where I could get into if I ever do my own company to selling a silk garment. So then, on that, I felt I'd like to do it. It was August 1977 and opened my company. And actually, I didn't have much preparation or education about business. What I really felt was this is what I wanted to do and I just jumped in.

BOOTH: Have you operated like that in your life before or was this something new for you?

CHUN: Yes, some of the decisions I made in my life were like that. I just jump. And I found out and, God, where am I. And I had a friend who financed first time when I opened it. And he lent me

$15,000. Then what really he contributed to my company was that he introduced his lawyer and accountant to me and now become my accountant and my lawyer and they have been my support for all those years which I didn't know much about business and didn't know anything about accounting. And they are always there to support me. Not only in business, they really supported me in my emotional crisis too in business. It wasn't easy for me in the past three years.

BOOTH: Did they provide you with services without your having to pay them at first?

CHUN: Yes. Now I pay them. But the first time they started as a friend that they wanted to support me. So that took care of a lot of worries about my business and no matter whatever happens in my company, I know that people around me will support me. So that I didn't have worry about any legal problems or accounting problems; they only thing I had to worry about was doing business itself. And it wasn't easy either.

BOOTH: But you trust them?

CHUN: Oh yes I trust them 100%. There is no way that I shouldn't trust. You know, like how they come about me is they wanted to contribute to me as a person more than like their client. I have a personal rapport with them. And any of these people are very professional people, so there is a lot to learn from them. That has been one of my good support systems.

BOOTH: Let's go back a little bit, though. I mean you say that you

had no preparation for starting the business at least not in the business side, but what did you think that you brought along with obviously you did know the silk industry, you knew Korea, you know sort of the way to operate there, which I suppose for me to go to Korea and start to operate would be a little bit more difficult. But what do you feel that you really brought to the business right at the beginning?

CHUN: What I felt was that I knew that silk is the one which is booming. Yes, I knew that because I started at the beginning when silk become a boom. So I was in the rhythm of that. So that when I opened my company, I knew that I would do very, very well. And then I designed.

BOOTH: Had you designed before?

CHUN: No, it was the first time I designed. What I really felt was that designers are selling their own taste. And I heard a lot of times that people telling me that I have a very good taste. So I made little collection. And it did very, very well its first season. There was no problem of selling. It was a problem of producing.

BOOTH: Well, how did you that? Why don't you describe that initial process? First of all, sure you design. What did you do, did you sit in your own room in your house and sketched out something and then what did you do with it? How do you design? and then produce?

CHUN: Well, there are different ways to people get ideas about how they go about. In fashion, how I got about is that I saw what was happening in the fashion industry. And I have a silk fabric and then I ask myself

"What do I want to wear with it?"

BOOTH: And then you took it to a ..

CHUN: And then I made a sample.

BOOTH: In New York?

CHUN: And then I took that to Korea; and then I went to manufacturers and said, "This is what I want. I want you to make this for me." And in Korea at that time they all know silk is booming so that was my opportunity. So I made a deal with this particular manufacturer, and told him if he give me merchandise, and I will sell in this country and pay him back in 90 days.

BOOTH: Oh, not a percentage? He didn't get a percentage, you paid him for the full amount.

CHUN: Yes, then what he gave was that _____ price, and then I put on the markup. I pay the freight and all that. So that's how I financed my company.

BOOTH: What was the $15,000 for?

CHUN: That was my operating my expenses for overhead, offices, making samples, trip to Korea, that sort ...

BOOTH: They how did you sell it when you brought it back? How many did you have made and how did you sell them?

CHUN: The first season, I sold around $80,000 of silk and then brought in and shipped, I shipped around $45,000, so that means I didn't ship all that I sold. I sold more than I expected.

BOOTH: So then you had to make a second order?

CHUN: Then I went into another season. I need three months to produce. And then when I have to recut, it was too late, so I went into another season. And I did pretty well.

BOOTH: Did you go into more than just one? Did you have more than one design?

CHUN::

CHUN: I'll tell you how my business works. I have four seasons in a year -- fall, holiday/winter spring and summer. And I started with holiday season. Then I went into spring line. And it was much bigger line and at that time I think spring and summer I did around $200,000. So like, sale went up very high and I was still working with my manufacturer, same deal. I bought merchandise, I sold it , and I paid then back. That's how I started my business.

BOOTH: Now the initial $15,000, did you have to pay him back?

CHUN: No, his money is still in my company and he's my advisor and he just want to see how I do it. And it's just nice feeling.

BOOTH: And what about, you said something last night about the Korean government financing a lot of your work?

CHUN: But then, it is not the Korean government. What happened was that big trading companies in Korea and that one of the trading companies and is named Hyosung and they are the third largest trading company from Korea. They have a branch in New York. And they got to financing me.

BOOTH: After a while? How long did it take?

CHUN: They start financing me from last November, so that's like two years later.

BOOTH: Was that like a line of credit that they give you?

CHUN: Yes, they can open me letter of credit unlimited. This company doing around $600 million a year. So, I don't think I can do $600 million a year, but it's, it is kind of living for me to having that kind of financing background.

BOOTH: You can keep expanding without having to worry about where the money is coming from?

CHUN: Not any more.

BOOTH: Do you have to justify it in some way? Do you show them what you're going to do?

CHUN: Yes. But they knew me. They all knew me for I'm the one who

promoted Korean silk industry in this country and then they know what I've done. So that I have a, they hurt my reputation, so that somebody introduced to me, to the Branch of New York office, and then I told them what I have done. What they were really interested in was developing a higher price merchandise in Korea. They know that's the only to develop themselves to sell any garment out of Korea these days. Laborer costs are very high. Yes, some things are more than Hong Kong, that's what I heard. So now that is the only way they can survive in that area. So that I am the first case, financing me to learn about high priced merchandise.

BOOTH: Like a test case?

CHUN: Yes, then I deal with the silk fabrics and use very expensive garment, and then hand-knit sweater is very expensive.

BOOTH: What's the average price of your garment?

CHUN: Price range is $35, two-piece will go up to $86. I'm talking about wholesale. So that will be doubled in retail.

BOOTH: So a blouse is like $70?

CHUN: Yes, $70 - $92 for blouse. Two pieces will go up to $172, most expensive one. But they are really beautiful.

BOOTH: And what about the sweaters? How much are they?

CHUN: Sweaters I sell for wholesale $38-$58, so retail will be around $66-$116.

BOOTH: So they are actually handknitted?

CHUN: Yes, handknitted in Korea. So that what I want to do is develop more sweater lines with different yarns. For spring I want to do cotton handknit sweaters, a beautiful look to go with my silk. That's my idea about it. So I'm very excited.

BOOTH: What do you do in terms of marketing and promotion and all that?

CHUN: We sold so far around 400 accounts through the United States. And then, advertising-wise that Women's Wear Daily they come every season they come and see my line and they sketch and give me some of the editor articles on my goods. And then like Glamour gave me full page several months. I was on Mademoiselle. Actually, I have really tried to promote my line anyway. Fortunately they come to me and they see my line and they like. They just put in the magazine and things like that. But what I'd really like to do is that I want to do ads with the big stores. And put in the New York Times a full page and things like that so I can promote my names. That's what I want to do for the future.

BOOTH: Is it all called L'onee?

CHUN: L'onee, yes that's my company name, L'onee.

BOOTH: L-'-o-

CHUN: Yes, L-'-o-n-e-e. It's my name in French. Yes.

BOOTH: So when you say, would you take out the ad yourself or would

you use ..

CHUN: Usually what would be that we share half and half, stores and my company.

BOOTH: Oh, is that how it works? But you haven't done that yet?

CHUN: No I haven't done it yet. I want to do it, yes.

BOOTH: In the New York Times or something like that?

CHUN: Or Women's Wear Daily.

Booth interviewing Honee Chun

CHUN: O.K. I came from ~~this country~~ Korea to this country 12 years ago to study acting ~~at~~ my families - they are from theatre. My parents are pioneer for the Korean theatre and movies and television, so obviously they want me to do the same thing - you know continue their career so that when I brought up that they choose me to be success~~ful~~ to continue their own work, I guess that's one of the background that I have - that I have drive for the success or do something to prove myself. They send me to this country to study so I went to UCLA for a couple of years and then I came to New York to study Lee Strasburg (?) at the Actor's Studio for three years. So like my background has been always that creative part you know. And then I was doing modeling while I went to school. My mother has been one of the best dresser in her time and I have a god-mother who was the one who brought Western fashion to our country. So I was brought up in the fashion environment. So that fashion wasn't anything like a - very distance ~~from~~ for me. You know, I always lived with it. So when I started my business the first time, design wasn't that difficult for me to do it, and what was difficult was business itself because I wasn't trained to become a businesswoman. It was hard to organize myself to deal with figures, you know. That was hard. Selling wasn't that hard for me because it was dealing with people, telling them what it is that I wanted them to ~~buy~~ sell because I knew that my merchandise was good, so they bought it. Then another thing that was difficult for me was the production and I wasn't fully aware what is involved in production, especially in Korea. So that that has been very very difficult process for me too.

BOOTH: ~~Mumbled a question~~. What have you learned?

CHUN: Well, what I did was that I was pioneer for making berry goods in Korea. So when I went there first time, there are one ready to make garments that I wanted to ~~use~~ produce. So like I - it was a trip for me, you know. I have to constantly go there and tell them what I want and watch them, you know, each time.

BOOTH: Did you almost have to train them to do it or did they have the skill but they just didn't -

CHUN: They have a very, very good hand. Korean people have a good hand, but they don't understand fashion, you see. So that when a girl ~~sees~~ sews a blouse if she understand why this sleeve go this way, or why the color is that way - once she understands it it's easier for her to sew it. And when finish the garmet - you know like it's hard to really describe it - but like when you see different designers they have a different kind of mood to their line, that's expressing their own taste. And creating that - and you cannot do by yourself - people around you they all have to understand what you want and ~~ask you~~ execute in that way to come out with it. Only thing I can do is that I can tell them what I want, and I'm not the sewer and I'm not the pattern maker, so they have to understand what I want to come out with it. That was kind of hard for me.

BOOTH: Now, all of those people were in Korea - the pattern makers. They're not in New York, they're all in Korea?

CHUN: Well, actually, now I'm making all the patterns here and samples here too.

BOOTH: That works better?

CHUN: Yes.

BOOTH: Then you've got that - you take it and you just show it to them and they copy it?

CHUN: Exactly the same thing, yes. I tell them to make it exactly the same.

BOOTH: So when did you make this decision that you would have the goods, kind of, patterns and all that made over here and then have them just executed over there?

CHUN: Well, actually I knew first time that I should do that - you know I should have make pattern here I should make sample here and just take over there. The first time when I opened my business I didn't have enough money to really do it here - so that I tried to do it in Korea and it was very very difficult so that later on I changed it and I made all the patterns and samples here. Then I take to the Korea and tell them to make it exactly the same and it come out beautifully right now.

BOOTH: But you really have to produce over there one, because of the labor and two, because of the silk.

CHUN: Yes, of course.

BOOTH: You don't want to buy the silk there and bring it over here.

CHUN: I think that if I want to do any production, I want to do in one country. It is always risking that even I produce garmets from so far away from where I am and then I have to bring the fabric here and then make it

CHUN (cont): here and it's too much risk going on, so that in silk, in Korea they produce from yarn - you know - weaving fabric to print and everything is done in Korea and the sewing itself too so that eliminate for me the taking of risk, so that I do everything in Korea.

BOOTH: You said that this trading company - now is that an unlimited line of credit that you have - I mean or is it a certain amount and how is your credit situation develops.

CHUN: Actually, they could finance me--

BOOTH: Is that in terms of like cash flow so that you've always got money? I'm sorry I should have interviewed you before this to get the basic information.

CHUN: You want to know how I deal with the trading company in terms of the credit and monies. O.K. How we work on is that they open letter of credit for me.

BOOTH: That's like a line of credit or letter of credit?

CHUN: It is letter of credit to buy the merchandise from Korea. You have -

BOOTH: The risk is taken by the bank - probably - the letter of credit - not by your partner? (Some disturbance in the tape around this part.)

CHUN: .....But risk is on the trading company. Yes.

BOOTH: What kind of letter of credit is it?

CHUN: (Word is unclear - sounds like "aside")

CHUN: Yeah, I mean like when..... (Tape seems to have disturbance around this part as well - blank areas here). I project every season how much volume I want to do and then I write down what appropriate price will be and what landing cost will be. What will be profit and then I come out with project. They look at it and they feel that there are enough for a profit to make it and they decide to open ~~their~~ letter of credit for me. So then merchandise coming in. Actually all the merchandise is at their warehouse and then I ship them and then invoice is in a loan invoice but payable to this ~~training~~ trading company, so all the money is going into the ~~training~~ trading company. So what my contract with them is that they given me 10% whatever money they receive every month so that I can have a cash flow in my company. That's how we work right now. In credit-wise if they know that my company makes money and pay back whatever I owe them they could open letter of credit for any amount of money. That's how they told(?) me so. And I know they are capable of doing so

BOOTH: I see - and you didn't have any trouble getting this arrangement? There weren't any barriers?

CHUN: Well the first time they want to know what my business was and I had to go and meet people there and present my company and what we're doing and what we're making - and what I want to do next season - for project that I show them.

BOOTH: But you need this cash flow in order to function - otherwise you would just be selling the same amount every season basically. Is this so you could increase your volume every season?

CHUN: Yes, you know, if I'm financing myself there will be always limitation on capitals but here right now that I can always expand as much as I can - as much as I can sell that I can, you know, finance them.

BOOTH: Do you have employees?

CHUN: Yes. I do have employees. We have five.

BOOTH: Five? What do they do?

CHUN: I have sales people; I have bookkeeper and I have a warehouse person who - you know - packing and all of that. I have a pattern maker. Then me. And then I have reps - California reps and Dallas reps. So its' kind of a small operation.

BOOTH: They get paid commission? The reps?

CHUN: The reps, yes. They get 10% ~~of~~ on whatever they sell.

BOOTH: How do you see the business expanding over the next five years?

CHUN: Well, you know I just decided to bring in the partner in my company right now. And I met this very nice gentleman and then I think when I go back to New York I'm going to draw the contract and he's been in my business - industries for a long, long time so he knows the business and he has a lot of contact. So if he comes in and I know my volume will go up.

BOOTH: What would he bring to the business that you don't have.

CHUN: Sales ~~first~~ force and he can ~~demonstrate~~ administrate my business so that I have more time to really create the line and you know, watch the production.

BOOTH: So you would do more of the design then, and he would handle more of the sales.

CHUN: Yes.

BOOTH: But you said you liked doing the sales?

CHUN: Yes, but it's not that important for me to ~~sale~~ sell. My business is basically that designing. What you're selling is designing, so it's very important.

BOOTH: It's the product, not necessarily you as a person that is selling it.

CHUN: Right. I haven't really devoted to doing a designing for a long time because there are so many things that I have to take care of from beginning to end, do you know. So, I always felt that I didn't really spend time for designing and now if I have a partner then I can spend more time for designing and it make me very excited.

BOOTH: Will that person own half of the -

CHUN: Yes, we're talking about that.

BOOTH: You're not sure yet.

CHUN: Yes.

BOOTH: But you would share in setting policies and so on.

CHUN: Sure.

BOOTH: As opposed to you doing it all yourself.

CHUN: Right.

BOOTH Is your market generally middle-upper income - who is your market?

CHUN: Well, middle to upper income people.

BOOTH: And you sell directly to customers?

CHUN: I'm a wholesaler and we're dealing with the stores. I don't really directly sell to the consumers. We sell to the stores.

BOOTH: What do you think was the real motivating factor. You said that you really knew this was what you wanted to do? Why? Were you sick of working for somebody else or - did you want to be a designer?

CHUN: No - I just want to prove myself (Laughs) I was in the space ~~that~~ where I have to prove myself.

BOOTH: Again, we never stop.

CHUN: You know like - I come to think about it - it's a hell of a reason to do it. It wasn't really that - I didn't even know this is really what I can do or that this is what I want - and then I saw the opportunity and then I got to do something, and I just jumped in - I did it.

BOOTH: H~~ave~~ad you reached sort of a level in your business - I mean as being a promoter for the silk industry that it was time for you to move on - in other words you were just sort of doing the same things over and over?

CHUN: Well, I think it - you know - when I look back that I could learn more from other people and stayed with other people more and then understand about business more.

BOOTH: Rather than just -

CHUN: Jump in, yeah.

BOOTH: You told me how much start ~~off~~ up capital you had - which was only $15,000?

CHUN: Yes, you know that - I started with the $15,000 first year that I shipped around $300,000 first year - yeah.

BOOTH: Would a bank have loaned you that money?

CHUN: No, I don't think so - there is a banker right there (laughing) I don't think banker would loan me the money. Yes, I started my business in different way than most people did, you know, and do. So like when my accountant came in and saw what I done, and he said it's a miracle (chuckle) That's what he said.

BOOTH: Your credit got easier ~~- (mumbled)~~ as you continued?. What would you say from your experience from starting a new enterprise what would you do again and what would you do differently? Would it be primarily - would you really go back and spend another year learning everything?

CHUN: If I started all over. Yes. If I started all over again I want to learn more and experience more about business and then designing and whole market and have more confidence in myself to do it so. That way I wouldn't have to go through such a difficulty which I had, you know

BOOTH: What were the real - you haven't really pinpointed the difficulties.

CHUN: Well, difficulties from selling, from designing, from financing, administrating, dealing with the people - whole thing.

BOOTH: Look at how well you've done.

CHUN: Yeah. (Laughs)

BOOTH: You could have done more faster?

CHUN: Well, it wouldn't have been faster, but it would have been easier.

BOOTH: Without all the struggle and trauma and all of that.

CHUN: Well that - I look at business - business is struggling. I mean, somebody told me business is solving a problem. So in that sense, it's like a process for me. I mean, you know, it's like my life. It's just process. I don't know what's going to happen. Only thing I can do is just deal with what comes to me first. One by one. And just go on.

BOOTH: When you dealing in - close to a million dollars, don't you get scared sometimes?

CHUN: Yeah, I was just talking to Claudia, and Jenny and sometimes like when I go to sleep I get so sweat of fear that all this responsibility that I have. Like, I don't have a big staff here, but we have a lot of girls who were sewing my merchandise in Korea.

BOOTH: How many?

CHUN: 60 - 70 people and there are people who are weaving my fabrics.

BOOTH: Do they work totally for you or do they work for other people?

CHUN: They working for other people too, but mainly what they do - they are dealing with my merchandise. I have a responsibility for those people too.

BOOTH: Even though you're not directly paying their salary.

CHUN: No, yeah. But they depending on most of their income from what I give them and -

BOOTH: So you feel responsibility in terms of being successful for them.

CHUN: Yes. It's a big responsibility. And they look up to me as somebody from New York, and you know, I made it. So then I'm providing them their job and God - scary - really. Other way to say it is, it's a contribution and it's kind of touching.

BOOTH: You feel you are making a contribution?

CHUN: That's what I want to do in my life. Basically, what I really want to do - I want to contribute to other people's lives, so make a difference in the world. Success and making money - it's all great, but it's - so what. So I become a success and I make a lot of money, then where I'm going from there? Where? I feel very much satisfaction when I really feel that I contribute to the person.

BOOTH: Do you feel they wouldn't have jobs ....

CHUN: Well, I don't think they wouldn't have jobs, I mean I'm sure somebody else will give them a job. But they're making my merchandise and they do their best. They are very hard workers. I like to contribute something to these girls, whose life depending on sewing.

BOOTH: Do you also feel you're contributing to those people who buy your merchandise?

CHUN: Yes, I like to do that. That might be bigger goal than just making money or being a success. When I really understand that through my merchandise that I can contribute to the people who are wearing my clothing, that might be wonderful purpose for my business.

BOOTH: How many hours a week do you work?

CHUN: Depends on - sometimes I ~~wouldn't~~ didn't have a week-end for five weeks straight. I traveled a great deal. I went to Korea five times last year and it's not short trip, but when I have to do it, I have to do it. I don't mind doing it.

BOOTH: Do you feel you're sacrificing in terms of personal life?

CHUN: No, I really understood that I ~~the~~ 'm source of my company. And being the source means that I'm creating my own life, and creating opportunity to other people too and it's very exciting for me. Only thing that I'm afraid - I mean scared for me - is the responsibility. You know, that scares me, but kind of exhilerating for me that understanding about being a "source" to myself and my company and to other people. That's very exciting for me. And that

CHUN (cont): kind of motivates me right now to work. It's no longer that I have to prove myself anymore. I don't have to prove anymore to anybody. I don't even have to prove myself anymore. No I just do what I like to do and do best I can, and satisfied with it.

BOOTH: How much money would you like to make?

CHUN: Oh I would like to have 2 million dollars in cash (laughs). So I can retire.

BOOTH: but not yet.

CHUN: No, no not yet. I think my career is just beginning. I feel that ...comes to business and as a person too. So it's kind of exciting.

BOOTH: What do you think you have to contribute to other women who are interested in starting their own businesses, and maybe even more specifically women from developing countries.

CHUN: I came from Third World and I came to New York, and actually I do what I like to do. It depends on how much you want to do it.

BOOTH: Do you think more women should do it.

CHUN: Well, I don't know what other women want. I cannot really say for the other people, but terms of living life and creating life for themselves. If they want to do something for their lives, doesn't have to be business. Just choose something so it will satisfy their lives. Whatever you do if you are satisfied with it, that's what it's all about. I choose my business,

CHUN (cont): which is not easy way to satisfy, but I when you really want to do it and you have willingness to go through all the barriers coming up for you and if you have guts, I don't know why you cannot do anything, if you want. You know, that's how I feel about it.

BOOTH: Great.

Interviewer: Alice Booth
Interviewing: Lilia O. Ramos

Booth: R-A-M-O-S Am I pronouncing that right? And you are with the Manila Community Services Incorporated. O.K. Because I don't have your biography in front of me and I know that ~~there's~~ you've been actively involved in education and training and community work for a long time, why don't you just begin by telling me what is the MCSI? Why don't you describe what that is, and how you personally got involved in it.

Ramos: MCSI is a private voluntary organization which was created in 1968, by a group of clergymen and laymen in response to the rapid organization ~~of~~ in the ~~Phillipines~~ Philippines. One of the most serious problems which is unemployment and underemployment in the metropolitan Manila area and the group felt that since job creation is a bottomless pit, the organization cannot respond to the needs of the unemployed, so they decided that MCSI should concentrate in skills training in providing skills to the rural migrants to the city, so that they could be provided with skills that would make them employable in the city.

Booth: How did you personally get involved. What was your experience that led you there?

Ramos: I was going to ~~skill~~ school at the University of Minnesota in 1967 and 68 and I was on leave from a shoe manufacturing company where I was working as industrial relations officer and there is this group in the Philippines which has some funds for a social service agency which would deal with unemployment problem in the metropolitan Manila area.

Ramos (cont:) So they wrote me and when I came back to the Phillipines they sort of pirated me from industry to be able to head this organization.

Booth: Was this privately funded then, or was it government funded but privately run?

Ramos: This is privately funded. In fact, the initial funds came from the World Council of Churches.

Booth: I see. O.K. Why don't you tell me how the sort of training system and the skills development and so on and how that evolved, and what was your role in the beginning, and now your - are you director?

Ramos: Executive Director. Well, of course, we have to train people in skills which would be demanded by industries, so what we did is to have linkages with industry - find out what the employment requirements are and design our program, our training program, so that it would be responsive to the needs of industries. So the first time we had a tie up ~~(?)~~ with a shoe manufacturing industry in the shoe town in Marakina(sp) which is the shoe town of the Phillipines, and we had trained about 200 young people in foot wear making skills, and some of them, those who qualified were employed by the industry. We had tried several other schemes. I like working with small shops and putting our trainees as apprentices, but after an evaluation of the program in 1975, the study ~~it~~ pointed out that we could not place all of the graduates from our training programs, because either they are under educated or over aged and the ~~different~~ stiff requirements of industry in terms of age and height would not really be applicable especially to the women who come from depressed areas whom we trained in various skills like dressmaking, leathercrafts, handicrafts, toy production and the like.

Booth: So you developed special programs for the women?

Ramos: For the women with ~~entrepanural~~ entrepreneurial inclination we identified them and set up training programs in basic management so that they would be provided with basic management skills in running there own small businesses and at the same time we provided them with small capital loans with which to start their own small businesses under our "SELP" programs. SELP is an acronym of "Self Employment Program"

Booth: How many women have participated in that program? And what kinds of businesses do they have?

Ramos: About 200 women have participated in our entrepreneurship (sp?) training program and they have small businesses in the Metropolitan Manila area, like garments, toy production, shoe repair, embroidery, cooking native foods, making peanut butter and preserved fruits and other trading activities.

Booth: What kind of - do you actually have a school set up for them - or what kind of training do they actually go through.

Ramos: We do not have any formal school, but we gather about 10 to 15 women who would like to go into businesses, and give them - as I was saying we do not have any institution, we do not have any formal school, but we conduct seminars, entrepreneurship training seminars for these women who desire to go into small businesses. We have a five day seminar where we teach them such topics as how to start your own business, financial management, production, marketing, how to prepare feasibility study and managing ~~your~~ their own businesses.

Booth: How many have been through the program?

Ramos: About 500 have been through the program.

Booth: What kinds of businesses do they start?

Ramos: The small businesses like fish vending/ and I have mentioned earlier toy production, handicrafts, preparing rice and dried fish, -

Booth: What's the difference between a woman who is vending fish on a street corner in the Philippines who has had your training and a woman who is down the street on another corner who is also selling fish but has not had your training?

Ramos: Well, for instance the women who have gone through our training would know how to preserve fish - fish which has not been sold. For instance, could be prepared - like they could be dried, they could be smoked. They could even prepare fish balls out of them. And also we teach them the technique of properly preserving fish, like, you know how to pack ~~them~~ it in ice, and so on and so forth. Also we teach them how to use the scale - the weighing scale - those two things. And of course, they know how to keep records of what they buy and sell.

Booth: So they would know what they were charging in terms of weighing The other women wouldn't even know how much to charge?

Ramos: Well, they know how to charge, but sometimes they - the women would know how to charge, except they just estimate the fish that they sell. So it may be underweight, it may be overweight. You know, things like that.

Booth: What about expanding your business like getting credit. You mentioned that as one other service that you give. Would the woman who sells fish need credit and if so what is she using it for?

Ramos: The women who sell fish for instance need credit to expand her business. Like probably presently she may have two basketfulls of fish, she would need another 200 300 pesos or approximately $80 so that she could buy additional fish which could be retailed in several market outlets.

Booth: So then she starts to expand and sell in other markets.

Ramos: In other markets or increase the volume of the fish that she's selling.

Booth: Do you have examples of women who have been through the training who have really have expanded to become rather successful businesswomen?

Ramos: Yes, we have a woman, whom we have helped with 1,000 pesos, approximately $150 U.S. dollars in toy production. She has expanded so rapidly that she doesn't belong to our program now. She's not entitled anymore, because she's increased her capitalization and we could not respond to her capital needs already, so what we did is help her prepare a feasibility study, so that she could borrow from the traditional lending institutions like the bank. Because we provide only start ~~of~~ up capital. She was able to buy a small factory where she employs women around the community.

Booth: What do I have to do to get a loan from you and what kind of terms are there?

Ramos: We concentrate more on what we call petty loan fund which is being given in the community. It's kind of like we have 1,500 pesos or about $200 U.S. dollars where we give it to one community leader who dispenses them to as many women who would need the money quickly and its more accessible.

Ramos (cont): It's sort of like a small community bank. Women can just come to her house and borrow money without collateral. If she needs the money say for buying a basketful of fruits - she wants to sell during the day she borrows 30 pesos and returns the money say 32 pesos - with a 2 peso interest - So the 2 peso interest is plowed back to the petty loan fund, so it gets bigger and ~~evolves~~ revolves. It's really the small, small women who are undertaking small businesses in the community who make use of the loan assistance program through the petty loan fund which is being administered by the community leader in the community. They don't have to go to the banks to borrow from it. However, once they expand then we teach them how to utilize the banking procedures.

Booth: To qualify for this little loan do they have to also go through the training program.

Ramos: No, this - we call it trial fund or pre-~~self~~ SELP loan where they don't have to undergo training programs, but once they decide that they should like to expand their business then they must undergo our entrepreneurship (~~sp~~) program.

Booth: And how long is the program?

Ramos: About five days, ~~for~~ four five topics. That's all.

Booth: Could they get loans from somebody else.

Ramos: Oh yes, they could get loans from the private money lenders. But it's - you know how ~~lone~~ loan sharks are. We have a system in the Philippines which is called 5 - 6. If you borrow 5 pesos in the morning you have to return 6 pesos in the afternoon. So it's the 5 - 6 scheme. Or another - they also borrow from Indian businessmen. We call them "~~Bombai~~ Bombai" (sp) For 100 pesos that they borrow actually they get only 80 pesos. For getting 80 pesos their loan was ~~leased~~ listed as 100 pesos. So they can get

Ramos (cont): So they can get money as quickly as they can from the private money lenders.

Booth: But the terms are a little different.

Ramos: Yes, different. In our case it's really collateral free. Even if the community leader charges interest it is really plowed back to the revolving fund. They can draw on it again, yes.

Booth: Sounds to me like there is a tradition of women having their own businesses in the Philippines. Is that true, and it is sort of accepted that women be self-employed?

Ramos: Yes, in fact, I also have the book which is called "Hanna Bo Hye" (sp?) Literally it means-Hanna means search; Bo Hye means life; it's livlihood. It shatters the myth that Philippino women are - the lifestyles of Philippino women shattered the myth cherished by many in the Philippines whose idea of a Philippino woman's existence is in the home, while forgetting that it is she who plays a major role in supporting the family through her various enterprises. You said the Philippino woman tries to underplay the role as women, you know, but actually the women says if there is some major question let's wait for the husband, but actually they hold the purse. Yes, they hold the purse and we still live in a matriarchical society. So even if women tried to underplay the role still they are very powerful in the Philippine society.

Booth: How do the men feel when they start to expand their businesses and become more successful. In other words, it sounds like they start out being a one person business. And then eventually if they do well they might even employ other people, borrow more money and expand. Is it at that point that men start to worry about it or do they like it?

Ramos: Well, in fact most of the successful women entrepeneurs are pirating their husband from their employment; when their businesses become bigger, their husbands and children start to work for the woman.

Booth: Then they become partners?

Ramos: Yes, but also of course it is very important in this present economic situation in the world today. Inflation and everything run-away prices, that all hands in the family should work together.

Booth: Do you feel that the problems of women are different in terms of starting their own businesses and getting credit than the problems of men?

Ramos: Well, in the Philippines, most men and women, you know, have access to opportunities to start small businesses although when women start borrowing from the banks, they have to have the consent of their husband. Otherwise the opportunities are the same for men and women.

Booth: What if your not married. Whose consent...

Ramos: No consent - only when the woman is married. I think there is a lot of opportunities for women with entrepeneurial inclination, ability and skills, to really rise up in the world of business in the Philippines.

Booth: Really? So you're positive today at this 1980 World Conference you feel positive about women?

Ramos: Well, at least in the Philippines. I'm positive that with all of this women's ~~brigade~~ decade serving as the backdrop helping the emancipation of women plus all of this awakening on ------?-- of bringing credit and its accessibility to women - it would really help a lot in promoting the cause of women especially in the field of business.

Booth: Do you think that the program you have can be utilized in other developing countries or even in developed country?

Ramos: I think there are some elements in our program in the Phillipines which could be useful in other developing countries. Just this morning the lady from Singapore was interested in setting up a program more or less similar to ours, and through discussions I've learned in Upper ~~Bolta~~ Volta and in Ghana, they also utilize ommunity leaders in their credit~~s~~e scheme which is more or less similar to our program.

Booth: A final question which is something that's come up in discussing this whole topic with other women which is, ~~it~~ there seems to be that it's women ~~that~~ who are limiting themselves more than the men are limiting us. Do you think that's true?

Ramos: Limiting?

Booth: Well, that women are that we have to change our own attitudes about what we can do and about what we can accomplish. And if we do that we can accomplish just about anything, rather than it's men that are holding us back and that are discriminating against us.

Ramos: It may be true to a certain extent in certain societies. For instance in the Phillipines, the Christians, it would be true. If the women really would like on their own to go up, O.K. they can go up. But in our Muslim society, you cannot just go up. You're also limited by what your men folk would say. Like when we were lending money to Muslim women, they had to ask first permission from their husbands and take the husbands ~~to office~~ advice. They cannot decide on their own. But hopefully, some Muslim women leaders are becoming active. In fact, we have one outstanding Muslim woman leader from the Phillipines who is

Ramos (cont): attending the NGO forum, yes.

Booth: How important is economic independence to women in terms of their own equality or search for - you feel that that's the key? Having economic power?

Ramos: Well, not as ~~the~~ a singular subject economic independence you know. But it would help if you have economic independence, because you don't always have to be asking everything from you husband, you can do what you do career-wise ... but in the Philippines ~~then~~ you see it's the woman who holds the purse. But then it's not your own. So that if you have your own employemnt, for instance, you feel good also and there are things which you can do and you don't have to ask anybody what to do about it.

Booth: Final question. I could go on and on. But anyway, the women who you serve generally come from the rural areas to the city is that true? And are they economically better off in the city then in rural areas?

Ramos: Most of the women we are serving of course are urban women and really most of them are migrants from the rural areas. They say they come to the city because their is more economic opportunity for them. They can send their children to school, they can go into small businesses whereas in the rural areas, you know, there are seasons for planting, seasons for harvesting and they have very little opportunity ~~to~~ really, especially women with entrepreneurial inclination; they do not have the opportunity to practice them in the rural areas. However, in the city there is a lot of opportunity for encouraging small business entrepreneurship. I'm thinking of operating small business~~es~~. Otherwise ~~there are~~ it is also

Ramos (cont): opportunities for women in the rural areas, but since we are basically serving the needs of the urban women, I may be biased but I think they have more opportunities in the city in terms of economic productivity.

INTERNATIONAL CO-OPERATIVE ALLIANCE

ICA Women's Conference on

"Women and Work in Co-operatives"

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Hotel Cosmos, Moscow, USSR

THE VOLUNTARY ACTIVITIES OF THE CO-OPERATIVE WOMEN'S ORGANISATION IN AUSTRIA

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THE VOLUNTARY ACTIVITIES OF THE CO-OPERATIVE WOMEN'S ORGANISATION IN AUSTRIA

Already on the occasion of the Co-operative Congress in 1912, after a speech by the great Co-operative Pioneer, Emmy Freundlich, it was decided to create women's committees in all co-operative societies, in order to draw more women into the Co-operative Movement.

In June 1928, the first Austrian Co-operative Women's Conference took place. We can call this date the "hour of birth" of the Co-operative Women's Organisation, for at this Conference the various women's committees decided to act as a uniform organisation in future.

Already at that time, the women campaigned for the 'co-operative own production'.They organised afternoons for women and for children and generally endeavoured to further the positive development of the Co-operative Movement.

Unfortunately, the Second World War suddenly interrupted this activity. However, only a few weeks after the end of the war there were concrete plans for the continuation of the Co-operative Women's Organisation's activity. In June 1946, the first constituted assembly of the reorganised Women's Organisation was held and the women co-operators worked very hard to make the co-operative membership grow as quickly as possible.

The positive development of the Austrian Consumer Co-operative Movement culminated in 1978 in the creation of a uniform "Coop Austria".

Fifteen consumer co-operative societies merged in order to employ the material as well as the ideal forces of the Consumer Co-operative Movement in a better way. At the same time, the Co-operative Movement showed in a very impressive way how much it appreciated the activity of the Co-operative Women's Organisation, by building the role of the Women's Organisation into the Constitution of Coop Austria. This means that in paragraph 16 of Coop Austria's Constitution it says that"all women involved in co-operative activities form the Co-operative Women's Organisation". This means the 3,900 women who belong to the members ' councils of the various co-operative branches.

In this Constitution the Women's Organisation was also mandated to draw up its Rules, in which the aims and duties of the Women's Organisation were to be re-organised and adapted to the activities of Coop Austria.

As far as possible, all women co-operators collaborated in forming the new Rules and at the Women's Conference in 1978 they were adopted unanimously.

The most important aims and duties of the Co-operative Women's Organisation were laid out as follows in these Rules:

1. Collaboration in the implementation of the aims and objectives of the Austrian Consumers' Co-operative Movement;

2. Collaboration in the democratic decision-making process of the Consumer Co-operative Movement;

3. Collaboration in the co-operative marketing policies and production policies, according to the members' needs;

4. Regular training and information events for women active in the Co-operative Women's Organisation;

5. Collaboration in the co-operative consumer activities;

6. Keeping contact with children and adolescents and in this respect especially devise measures for consumers' education and information;

7. Organising educational and leisure activities for the members;

8. Keeping contact with friendly organisations and institutions;

9. Membership with the Women's Committee of the ICA;

10. Membership with the associations and institutions which promote home economics.

In order to implement these objectives there are, as I already mentioned, 3,900 women co-operators who work within the Co-operative Movement in a voluntary capacity. In order to explain to you the

working methods of our Women's Organisations I would like to illustrate the democratic structure of our Co-operative Women's Organisation as follows:

The members' representatives who are elected annually at the Members' Meetings make up the so-called Members' Councils. These Councils are formed into district organisations. Each district organisation elects a delegate as well as a deputy delegate to the Regional Women's Council.

This Regional Women's Council meets twice a year. This Council, in close collaboration with the members' relations officers drafts a regional work plan. In a way, these meetings also provide a kind of training ground for these women co-operators.

The next higher organ in the democratic structure of our organisation is the National Women's Council. Each Region is entitled to one delegate per 15,000 members (of part thereof). This means that at the moment, the National Co-operative Women's Council consists of 51 women co-operators. This Council also has the right to propose, for election, the National President and Vice-President, both of whom have to be elected from among the five Regional Presidents.

In order to keep in close touch with the Regional Presidents, to keep them informed and to give them guidance for practical activities, a National Women's Presidium has been formed. This Presidium is responsible for the entire activity of the Co-operative Women's Organisation and the implementation of the work programme, as well as the appointment of a full-time Secretary.

The highest authority of the Co-operative Women's Organisation is the National Women's Conference, at which all the women co-operators who are delegates at the Annual General Meeting of Coop Austria, participate, as well as the members of the Regional Women's Councils. The National Women's Conference has the following tasks:

- to lay down the objectives for the work of the Co-operative Women's Organisation;

- to elect the President, Vice-President and the National Presidium

- to draft and pass resolutions affecting in particular women and address them to the Annual General Meeting of Coop Austria.

The above briefly sums up the objectives and the structrue of the Co-operative Women's Organisation. Although the Women's Organisation is an organisation with its own set-up and structure, it is of course very closely linked with the organisations and bodies of Coop Austria.

This means, for instance, that the Constitution also provides for the participation of women co-operators in the Supervisory Council of Coop Austria. This means, usually, the presidents of the Regional Women's Councils. As President of the National Co-operative Women's Organisation I am personally the deputy President of the Supervisory Council and therefore I am a member of the Presidium of Coop Austria's Supervisory Council.

The Supervisory Council sets up various committees, the activities of which are of extreme importance; there are committees for marketing, cooperative own production, members relations and for consumer policies. Here the women co-operate very actively in the problem-solving in various spheres. This work, in which the women co-operators are involved is also seen as a contribution to the members' information activities.

But the Co-operative Women's Organisation is also engaged on the international level. In this respect I have since 1979 been a member of the Executive Committee of the ICA Women's Committee.

As it cannot have been too easy for you to visualise the above explanations in practical terms I have added at the end of my paper a table of the democratic set-up of the Co-operative Women's Organisation, which includes the most important points of the Rules.

May I now give you some examples of the concrete work, which is carried out in the five Regional Women's Councils:

In all activities carried out by women co-operators, emphasis is laid upon consumers' information and education. More than 70% of

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the national income in Austria passes through the hands of women. This is why we have made it our duty, through housekeeping hints, practical advice and also information about legal matters, to train the women members to become more conscious consumers. As already mentioned, this is also of great importance so far as the national economy is concerned, i.e. the women are able to get advice and help in the running of the smallest unit of the national economy - the household. Thus they will be better equipped to carry out this activity in a meaningful way.

Numerous lectures, seminars, films and slide shows, as well as discussion meetings serve to bring women nearer to these themes. The main emphasis in such events is laid on:

- food hygiene
- saving of energy
- national legislation for consumer protection.

Since 1952, the Co-operative Women's Organisation has annually published a "household book", which gives valuable help so far as home economics are concerned. Besides useful tips for the whole family, this book also contains advice for a better and more meaningful management of the household budget.

In connection with this information and education work, of course, visual aids and other material are of tremendous help. One type of aid , which we find particularly helpful, are the sound track films on consumers' education. They are especially popular with young people.

Right now, we are working on a slide series entitled "hygiene in the household", which is a particularly important topic in Austria at this moment.

Test kitchens and test groups, which have recently been introduced in the Co-operative Movement and which are active in all Regions, form a very important part of the activities for consumers. With the introduction of the test kitchen, Coop Austria has made available unique and valuable facilities. The fact that it functions well and the results are good, are due not only to the excellent technical

equipment, but especially also to the willingness of our interested members and our Co-operative Women's Organisation to collaborate.

Own-production as well as other firms' products are continuously tested for quality and cost, etc., and are also made available for comparison with competitors' products. On completion of the tests the goods are marked accordingly with a special stamp. The results of such tests are evaluated from various aspects and referred to the appropriate authorities, where they are given due consideration.

All these activities are supplemented by the participation of the Co-operative Women's Organisation in the committees of the Supervisory Council, which I have already mentioned.

One important task, for which the Women's Organisation feels it must be responsible, is the very close contact with children and adolescents. In this respect, we feel our most important task is to alert the children and young people as to their future role as critical and conscious consumers. For this purpose we arrange a number of activities, such as cookery classes, handicraft courses, trips and excursions, sports events and other competitions and Christmas festivities.

We also try to reach young people, school children, adolescents and young married couples with courses, seminars and other events. At the moment, for instance, we are involved in a campaign under the title "more pleasure in leisure" which means we offer our members comprehensive leisure-time activities, which are of a cultural as well as an educational nature.

Of course, all these activities are organised with the fullest co-operation of the officers responsible for member relations and those responsible for consumer policies in Coop Austria. Here I would like to mention an other important task, which the Co-operative Women's Organisation has, i.e. it supports all of Coop Austria's activities so far as member relations are concerned. It can be said that a great number of newly recruited Coop members, every year, are due to the work of the women co-operators. This work is carried out in teams or individually, but in either case, women co-operators are particularly successful in recruiting new members. The women

co-operators also give practical assistance with the paying-in and paying out of dividends. Incidentally, Coop Austria is the only enterprise in our country, which pays a dividend on all purchases made. The women co-operators also man consumer information stands in co-operative shops.

So far as supporting Coop Austria's member relations activities are concerned, the women co-operators also lend their assistance to the preparatory work for the annual members' meetings and regional meetings of the Movement. At these, they also present reports on activities of the Co-operative Women's Organisation and this is very important so far as explaining and publicising the work of the Co-operative Women's Organisation is concerned.

Furthermore, women co-operators help to promote the co-operative savings accounts and help to publicise the Coop's special offers.

In closing may I say the following: While during the first few years of the existence of the Co-operative Women's Organisation, i.e. until 1938, the problems to be solved were mainly related to the question of emancipation - after the Second World War the main task was to rebuild the Co-operative Movement, including the Co-operative Women's Organisation, and this meant mainly to enlarge the membership and to organise consumers' education and information programmes.

As you have been able to gather from my paper, today the recruiting of new members and the relations with existing members are among the most important tasks of the Co-operative Women's Organisation.

With the Austrian Consumer Co-operative Movement becoming more and more important, being the largest retail consortium in our country, and considering that about two thirds of the members are women, it is necessary that the women, who are active in the Co-operative Women's Organisation, can exert their influence over the co-operative enterprise. Most of all, we want to keep close contacts with our 765,000 members and pass on to them information of a co-operative, economic and also social nature.

The basis for our work in the Eighties is already laid down. In this new decade, thanks to the fact that the members of our Women's Councils are always ready for action, the Women's Organisation will continue to represent the interests of Coop Austria's women members in the Movement. All this is in the interest of Coop Austria's positive development; this work is also carried out in accordance with one of the main principles of the Movement, i.e.: always to put people first in everything that is happening.

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THE CO-OPERATIVE WOMEN'S ORGANISATION

Democratic Structure

Organisational grouping into 5 Regions:

East	Styria	Carinthia/Tyrol East	Upper Austria	West

All women active in the members' council together form the Co-operative Women's Organisation.

DISTRICT ORGANISATION

Each district organisation elects a delegate and a deputy to the Regional Women's Council for one year.

REGIONAL WOMEN'S COUNCIL

All district representatives of a Region together form the Regional Women's Council. This Council elects from among its members a President, Vice-President and a Secretary.

Twice a year, it draws up a regional working plan and has meetings at least twice a year. It also elects delegates to the National Women's Council. Each Region is entitled to one representative on the National Council, per every 15,000 members (or part thereof).

NATIONAL WOMEN'S COUNCIL

This Council proposes from among the five Regional Presidents, the National President and Vice-President, for election at the National Women's Conference. The National Women's Council meets twice a year. It makes proposals for the central working plans.

NATIONAL WOMEN'S PRESIDIUM

This is made up from the Presidents of the five Regional Women's Councils. The Secretary of the Women's Organisation attends the meetings of the National Women's Presidium, which meets at least four times a year.

ENLARGED NATIONAL WOMEN'S PRESIDIUM

This is made up of the Presidents and Vice-Presidents of the five Regional Women's Councils; the Secretary of the Co-operative Women's Organisation attends all the meetings. These meetings are called by the National Women's Presidium whenever deemed necessary.

NATIONAL WOMEN'S CONFERENCE

The National Women's Conference is the highest authority of the Co-operative Women's Organisation. The Women's Conference takes place every two years, immediately before the General Meeting of Coop Austria; the National Women's Conference is attended by all female delegates to the General Meeting as well as the members of the Regional Women's Councils. The National Women's Conference elects the National President and Vice-President, who have been proposed by the National Women's Council.

The Objectives of the Co-operative Women's Organisation

More than two thirds of the National income in Austria is administered by women. Therefore, women should also be given special attention within the Consumer Co-operative Movement; the role of the Co-operative Women's Organisation in representing the women's interest in the Movement is therefore very important.

Objectives and duties of the Co-operative Women's Organisation

1. Collaboration in the implementation of the objectives of the Austrian Consumer Co-operative Movement;

2. Collaboration with regards to the democratic decision-making process of the Consumer Co-operative Movement;

3. Collaboration with regards to the co-operative marketing policies and production policies, according to the members' needs;

4. Regular training and information events for women who are active in the Co-operative Women's Organisation;

5. Collaboration in any co-operative consumer activities;

6. Keeping contact with children and adolescents (education and consumers' education and information)

7. Organising educational and leisure time activities for members of Coop Austria;

8. Keeping contact with friendly organisations and institutions;

9. Membership with the Women's Committee of the International Co-operative Alliance;

10. Membership with the associations and institutions which promote home economics.

Duties of the Regional Women's Councils

1. Collaboration with regards to drawing up working plans and with regards to implementing the aims and duties of the Co-operative Women's Organisation;

2. Collaboration with regards to the democratic decision-making process in the Regions;

3. Support for the realisation of the regional duties;

4. Gathering information on members' needs within the Region and relate them to the appropriate authorities and organs.

5. Participation in the drawing up of regional working plans and their implementation in collaboration with the members of the Women's Organisation in the Region and other appropriate co-operative authorities;

6. Intensive collaboration with the full-time co-operative employees of the Region;

7. Recruiting members who are prepared to work in a voluntary capacity in the Region, especially so far as the Regional Women's Council is concerned;

8. Assistance with regards to giving reports at consumer co-operative members' meetings;

9. Intensifying all measures with regards to members' relations and information. Special attention to be given to the activities for children and adolescents

INTERNATIONAL CO-OPERATIVE ALLIANCE

ICA Women's Conference on

"Women and Work in Co-operatives"

10th and 11th October 1980

Hotel Cosmos, Moscow, USSR

WOMEN IN THE HUNGARIAN AGRICULTURAL CO-OPERATIVE MOVEMENT

Paper presented by

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WOMEN IN THE HUNGARIAN AGRICULTURAL CO-OPERATIVE MOVEMENT

I.

We consider that the situation of women working in agricultural co-operatives cannot be truly understood and estimated without a concise summary of women's life and work in the past.

Before the Second World War, Hungary was counted among the most underdeveloped countries of Europe and characterised by the feudal system, the low level of production mostly based on manual work, the inhuman exploitation and humiliation of human dignity of the poor peasantry.

While approximately half of the territory of our country belonged to almost one percent of the population, one third of the people were very poor farmhands, day-labourers and season workers without possessions.During that time, our country, with good reason, was named "the country of three million beggars".

Before the liberation, more than half of the population worked in agriculture. If the life of the peasantry was miserable, this was even more true in the case of peasant women. Due to their social position they had no particular legal rights and therefore were defenceless in Society and even in their own family. The overwhelming majority of domestic workers, who represented one fifth of employed women, also came from the peasantry. Their number was extremely high also among the illiterate people.

Women were denied access to universities, colleges and even secondary schools. The majority of peasants were illiterate. So far as formal education of peasant girls was concerned, even their own parents considered that women should remain in the kitchen, and it was enough for them to know that when it was raining they had to take shelter under the eaves.

Women did, of course have no equality so far as salaries were concerned; usually their salaries amounted to half of that which men received. There were no nurseries or day-care centres, nor

any other services to ease the life and work of country people. Only a few villages had a kindergarten. Health services and medical care were at the lowest level possible.

In our people's history, a new era opened with the liberation of the country by the Soviet Union, and the political, social and economic conditions for the building of a socialist society were assured. According to this programme, one of the main targets to be realised was the socialist transformation of agriculture; agricultural co-operatives were created on the basis of the peasantry's voluntary decision, with the comprehensive help of the State. The transformation of agriculture was brought about by 1961.

The experiences of the following years proved in a very convincing way the necessity of the socialist transformation of agriculture, and its superiority over smallholders' farming. It was seen that the only feasible way towards the social and economic betterment of the peasantry would be large-scale co-operative farming based on Lenin's co-operative principle, considering the special characteristics of a given country, and using the experiences acquired in other socialist countries.

By means of the socialist transformation of agriculture, far-reaching changes took place in the life of co-operative peasants and consequently also in the women's lives. The socialist system and the realisation of co-operative farming ensure the total liberation of women and therefore a better quality of life for them. By joining co-operatives and engaging in work, women became self-supporting wage-earners and economically independent persons for the first time in history. The economic and social basis of their rights to equality and the opportunities for success were contained within the framework of co-operative farming.

During the period of transformation of agriculture, the Co-operative Movement could count upon the peasant women's readiness for new initiatives and could also count on their conscientous work, when consolidating the co-operatives and creating the professional production farms.

During that time, in many places, women were the first and the only persons in the family who chose the common way. They rendered undying service, especially in creating a collective spirit, strengthening the labour discipline and defending the common property, but also in activating other people.

Working in the co-operative and the household farms, as well as taking an active part in self-government, they greatly helped the successful establishment of co-operatives. With their contribution women helped to create the right economic conditions for a sweeping change in living conditions, beyond all expectations, as well as a change in their social position. It also lead to a change of attitude of the peasants, especially with regards to women.

II.

As a result of the vast concentration realised during the Seventies there are at present 1,350 agricultural co-operatives with almost 1 million members in our country, the women accounting for 40 percent. So far as the Agricultural Co-operative Movement's present farming and its future development are concerned, the work of about 62,000 active labourers plays a vital role; the proportion of women amounts to 34%. This proportion in itself shows the position and the role of women in co-operative farming and in the shaping of co-operative life. For this reason, the economic management of a co-operative gives the utmost attention to the women's position and to the solving of their problems of particular character. Decisions of the Central Committee of the Hungarian Working People's Party on women also oblige the co-operative managers to act in this spirit. According to these decisions the co-operatives pay special attention to the following questions:

Employment of Women

The development achieved in the field of co-operative farming influenced the possibilities of women's employment in a positive way. Today it is generally resolved that women can perform the 1,000 obligatory working hours (1,500 hours for men), laid down by the Co-operative Law.

This is one of the greatest results the Co-operative Movement has achieved, as women's pension rights and the different social allowances depend on it.

It is a general phenomenon that women are employed in unskilled labour or administrative jobs in work places demanding a lower level of professional knowledge. Considering the composition of manual workers we can see that the proportion of women is the highest in unskilled labour (43%) and almost three quarters work in agriculture.

The results obtained so far in respect of women's employment show different particularities within certain counties and even among individual co-operatives. They depend on the geographical and economic fundamentals of the given farm and the established structure of production.

Women's Pay

The principle of socialist distribution - equal pay for equal work - is generally accepted and implemented in co-operatives. The worker's pay, including that of a woman, is based on the quantity and the quality of the work performed. Some deviation from this principle can be observed in the pay for female agricultural experts, women employed in professional management and in subordinate executive jobs.

The annual employment level, its character and the lack of required qualifications continue to have a disadvantageous effect on women's pay.

General Culture, Professional Qualifications and Political Education of Women

The Constitution of our country assures the right to formal education for everyone, without distinction as to sex. The Co-operative Law makes it obligatory for co-operative members to assure these rights.

Women working agricultural co-operatives have come a long way in reaching a certain level of general cuture and professional knowledge. The number of women - mothers of several children among

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them - who had originally ended their schooling with 8 years' formal education but have gone on, in recent years, to acquire professional qualifications, besides being engaged in their workplace and in household chores, amounts to thousands. Women represent 9% of the 160,000 skilled and 43% of the 320,000 trained labourers working in co-operatives. The different series of lectures and study circles organised in conjunction with the country's cultural centres contribute also to women's education.

During the last few years, women working in co-operatives have shown an ever-growing interest in general topics and political events. In relation to this increasing interest they have realised more and more that loyalty in their everyday work is inseparable from the question of peace and solidarity among people.

Women in Leadership

The trend of women's participation in co-operative self-governing organs and in the economic leadership is an important indicative of the realisation of women's emancipation. The most significant result has been achieved in the field of women's initiation into the elected public bodies on the county level as well as on the national level. 24% of National Council members and 23% of territorial associations' delegates are women. In the elected functions of co-operatives, i.e. management and other committees - the proportion of women is about 30%.

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THE FUTURE FOR WOMEN IN CONSUMER CO-OPERATIVE MOVEMENTS

Paper presented by

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THE FUTURE FOR WOMEN IN CONSUMER CO-OPERATIVE MOVEMENTS

I was originally asked to discuss women's activities in consumer co-operatives, giving special emphasis to elected and voluntary functions. I have reversed the sequence and taken the voluntary aspects first. You will soon see that I feel that without concern for the voluntary nature of co-operative development, there is no future; true democracy, the only ground on which it can work will be but a relic of the past and consumer co-operation will be words in history books.

No-one can deny that in the last 25 years life in industrialised countries, including the industrialised areas of East Europe, has changed. Following the post-war years of full employment, the "affluent" society brought to the average family easy transport, transistor radios, television, mass media, telephones, more educational facilities, better health services, holidays and a greater selection of consumer goods. In distribution came new methods of shopping which in turn created competition hitherto unprecedented.

For a time, it was wonderful and in the Sixties as a World we were reasonably contented. But competition eventually generates greed and the individual is no longer the concern of the tycoons, except as recipient of their advertising promotions, another great industry they sponsor but leave to the consumer to finance. In the Seventies came the oil crisis; no country, irrespective of its political ideology or its economic situation escaped. The crest of prosperity passed and in the Eighties we face World recession which threatens the lives of all.

Against this background, Co-operative Movements were not immune; in order to defend themselves against the effects they set about rationalising the stocks and services and new capital investment, to replace small units with large ones. Retail margins narrowed, shrinking dividends followed and even the principle of dividend, shared only by members, was changed. Co-operative democracy suffered badly through drastic amalgamations of societies. Hundreds of small societies were submerged by bigger ones which in turn found themselves absorbed into larger and larger societies. The arguments in favour sounded valid, but the practical result left co-operators

with many doubts and fears. The national market share has now decreased as indeed has the number of members in many countries. The members scarcely know the difference between themselves and non-members, who also share a part of the surplus which their societies can ill afford to distribute. There are areas quite barren of co-operative service now, where it flourished in former times and those members who remain are practically disenfranchised by living long distances from co-operative shops and, therefore, from co-operative polling stations.

So what is the prospect for women co-operators entering the Eighties and wanting to ensure that there is a Co-operative Movement in the year 2000?

The most savage wound to women has been the effect on their organisations within the Co-operative Movement. The Co-operative Women's Guild of England and Wales, the oldest and one of the most respected women's organisations in these lands, coming up to its centenary in 1983 has had branches closed not because the programmes were unattractive, but simply because the closure of co-operative shopping facilities has denied local communities of women the incentive even to be members of co-operative societies. In some districts of the Federal Republic of Germany a similar situation has arisen and in the Netherlands women were the first to be disbanded prior to the Movement's collapse.

At the same time, educational provisions have been cut. Co-operative youth organisations, catering for both young men and young women, have been allowed to disintegrate and this in itself has mitigated against the growth of a new breed of co-operators, ready to take over where their immediate predecessors leave off. Our own co-operative society is, in fact, a legacy to be kept in trust by us during our life time and handed on through generation to generation as a better entity than we receive.

Therefore, I believe that our first and most important task is the re-establishment of the co-operative member and in that women have a major part to play.

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This does not mean the promotion of a new feminist campaign, but rather a shoulder-to-shoulder infiltration of men and women, determined to claim back their rightful status in the co-operative. It is not only women who have been squeezed out of activities by the pressures of economics and professionalism but the men also, i.e. workers in various walks of life who, down the years, offered their services in a voluntary capacity to their own co-operative societies.

We ought not to be side-tracked by our endeavours to assist new emerging co-operatives. These will certainly survive if the initiators of these present-day projects maintain the same sense of purpose that our pioneers did. It has already been pointed out that we in consumer co-operatives have been forced to create large associations to meet the requirements of time; now members have to claim back their Co-operative Movements. I repeat, women, who constitute at least half the membership and certainly three quarters of the customers in co-operative shops, have to examine their strategy.

There has to be a new militancy - not a physical form but a very vocal form; a confrontation with boards, executive personnel, education committees, regional, sectional and national representatives. Perhaps we have become too respectable! Women should plan some straight talking from the floor of the members' meetings and, maybe, some knocking on the boardroom doors could send a breath of fresh air through Co-operative Movements.

Dr. Laidlaw, in his ICA Congress paper entitled "Co-operatives in the Year 2000" says this: "There must be a great body of lay leaders, women as well as men, not just to make a success of co-operatives but also to work towards building a new society ..... without lay leaders, the business leaders and technocrats will tend to judge and direct co-operatives largely as business directs. The urgent contemporary problems of co-operatives must cease to be the exclusive preserves of experts and technicians and become the concern of the rank and file people as well."

Such words provide the bridge between the task of revitalising the voluntary action of membership and a concern women must feel for the changing emphasis in the internal control of our Movement.

In the United Kingdom, in 1960, there were 1,000 societies with an average of 10 elected board members in each, i.e. approximately 10,000 opportunities for men and women to serve their societies. Today, there are 200 societies with somewhat less than 2,000 board members. It is true that the national membership is about 1/5 less but it also means that there are 4/5 less members on boards throughout the country. On the other hand, the trade union which caters for co-operative employees with professional and expert status, has about the same membership. For women this has a further significance because all but a very small percentage of these expert employees are women and of those with senior professional status women can be counted, probably, on the fingers of one hand.

It is useless to energise the membership unless we intend to resume our stewardship and vigilance at all levels of the constitutional structure. Those technicians and experts to whom Dr. Laidlaw refers, have been allowed to assume powers of policy-making far in excess of their mandate to manage and advise. I doubt if there is a woman present who is unaware that our highest elected offices in consumer movements are now mainly occupied by executive officials whose salaries are, in the main, paid by retail societies to manage their affairs. Some have been brought up in the Movement and their feelings for it are quite genuine, but many of them pay lip service to co-operative democracy and membership participation; by the very nature of their training, they concentrate only on business tactics, heedless of the advantages the Movement could obtain from a return to first principles.

Most informed co-operators are acutely conscious of the problems of trade and modern commercial repercussions, but our financial results of the last 10 years have not provedthat economic strategy alone is the answer to co-operative problems. <u>If we want to maintain a Co-operative Movement and not a capitalist business then we as women have to keep our nerve and have to think seriously about the contribution we can make, particularly during the years immediately ahead.</u>

Soon, the effect of the micro-chip, various forms of automation and the adjustments to counteract unemployment will force shorter working hours. The people will then look for ways in which to occupy themselves and to protect their interests against computerised industries and government pressures. Consumer co-operatives will not be the only area which people will want to control themselves. There will be other forms of co-operatives, self-help groups and community associations. The Co-operative Movements' task will be to lead the way, strengthened by its own long and wide experience.

Women, of course, will not want to go back into the home. They will want to have a say in their own affairs. An interesting, though minute statistic, has recently come my way. Of 50 directors under the age of 40, serving on co-operative boards in the U.K., 30% were women. Perhaps this is only a glimmer of light, but it is not one to be ignored. As women, we need to nurse this kind of interest wherever it appears. It will not be easy, nor will the potential board members be easily identifiable. There is no need to introduce artificial barriers of sex because the crucial time factor will be the next five to ten years when we will have to fill in almost a vacuum created in the Sixties.

When we demand educational facilities, we should be clear what we mean. The need is for courses and the necessary back-up services, e.g. convenient meeting hours, child care facilities and adequate out-of-pocket expenses, to allow both young men and young women to assimilate knowledge which will equip them to cope with the successful development of their co-operative in collaboration with the full-time personnel and not sub-ordinate to it. The understanding of the balance sheet and the financial accounts of the society is vitally important to any board member.

My compatriate, the late Mrs. Eva Dodds, addressing the Women's Conference in Warsaw in 1972, said "There is little noticeable difference between the work style of any conscientious director - male or female. Initiatives and equality of leadership knows no sex barriers." Her statement is still valid today.

One last word, if we intend to be serious in promoting the participation of women, we have to adjust our thinking on numbers. In the future, if women wish to make an impact, it must be in reasonable numbers. One or two women sitting round a board table with ten, twenty or even 30 males, will not achieve the effective participation women envisage as good for the stability of the Movement. I do not favour quotas, but unless there is a substantial representation of women, the burden on the very few can be heavy and in some places unfair.

I look forward to the day, as all democrats do, when the question of whether men or women should serve is regarded as unnecessary or even impertinent, but the need for realism in 1980 demands that we still have to work dilligently towards that goal.

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UNITED NATIONS

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Statement to the World Conference for the United Nations Decade for Women, Copenhagen, 14-30 July, 1980 **

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STATEMENT to the WORLD CONFERENCE for the UNITED NATIONS DECADE for WOMEN, Copenhagen, 14-30 July, 1980

The ICA, with 120 member organisations from 66 countries, representing a constituency of over 350 million individuals, has since it was established in 1895 in its statutes never discriminated between the sexes. However, this does not imply that within the cooperative movement men and women are quite equal.

The cooperative movement reflects the community in which it works. One of the primary aims of cooperation is, however, to create more equal conditions for people. The ICA therefore welcomes the United Nations Decade for Women with great satisfaction.

Several activities originating from and stimulated by the UN Decade have also taken place, i.a. regional seminars in East and Central Africa and in South-East Asia with women's projects and follow-ups, sponsored by bilateral agencies, national coop movements and by the ICA itself.

A resolution taken by the ICA Congress in 1969 called for action on equality and has been followed up by action plans in the respective national movements.

The first part of the United Nations Decade for Women has created a growing awareness of the importance of creating equal terms between women and men.

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By the adoption of the "Convention on the Elimination of all Forms of Discrimination against Women" a great success has been achieved for human rights.

However, the ICA is forced to establish the fact that a wide gap separates the law from its application, theory and from reality. Therefore, if the objectives of the Programme of Action for the second half of the Decade are to be achieved, words must be matched by action.

The ICA notes with satisfaction the recognition of the role that NGO:s can play and wishes to make the following precise points, showing its readiness to assist in the implementation of the Programme of Action:

Women living in the rural regions of developing countries constitute one quarter of the present world population and an improvement of their working and living conditions is urgently needed. Although men's role in modern mechanized farming of cash crops has increased, women still carry out most of the laborious manual operations. Therefore all rural development projects must include the integration of women.

In recent years a growing interest has been shown in the importance of women's access to credit. The ICA considers it essential that new approaches be developed in the traditional field of banking. The credit unions and cooperatives provide a collective solution that has proved to be a success in many developing countries and should be considered when giving recommendations. Such collective organisations also strengthen the role of women in marketing and in income generating activities.

The ICA Women's Committee, with 70 representatives in 36 countries, including ten developing countries, in March 1980 arranged a consultation on "Equality for Women in Cooperatives - Legislation

and Reality". On this occasion - again - it was evidenced that in some cases restrictive legislation, particularly regulations relating to land ownership, tends to deny membership to women. The committee has decided to seek funds to make an in-depth study on this problem. The ICA believes that any measures which seek to increase women's access to land must be seen in the total context of rural customs and socio-economic conditions. Therefore the ICA asks for the understanding of the Governments to repeal laws which discriminate against women's right to inherit, own or control land or other property.

The success in the implementation of the Programme of Action highly depends on the assistance of NGO:s. The effectiveness and even the credibility will increase if people's organisations, both at national and international level, were to be closely involved in the monitoring exercise. A basic indicator in the evaluation process must be the growth of people's participation. Therefore the Alliance strongly urges that its recommendations be considered in the future work.

While appreciating the text para 162 in the Programme of Action - "special incentives to develop cooperative movements particularly among women of the poorer sectors of society aimed at developing co-operative technology enterprises for community self-reliance in water, energy, health, sanitation and housing, day care centres, and other basic services" we hope that we have made it understood that the role of women is not restricted to certain fields. - In a democratic cooperative women do not occupy positions in a token way as women but in a complete sense of members. There is no distinctive "role for women", just as there is no separate "role for men".

90 07 16 Ulla Jonsdotter

INTERNATIONAL CO-OPERATIVE ALLIANCE

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WOMEN AND WORK IN CO-OPERATIVES IN THE SOVIETUNION

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WOMEN AND WORK IN CO-OPERATIVES

Dear women-co-operators,
Dear guests,

Allow me, on behalf of the Centrosoyus Women's Committee and all Soviet women-co-operators to convey to you cordial, fraternal greetings and wish the women's conference every success in its work.

No one can deny nowadays, that women play an important role in the co-operative movements of many countries. Moreover, further development of the co-operative movement depends to a considerable degree upon an active participation of women in its activity.

It is woman who is particularly interested in the development of trade, public catering, supply, marketing, small-scale production, i.e. in the fields of economic activity where co-operatives have gained substantial results.

However, the participation of women in the co-operative movement does not depend purely on their will but on the conditions, as well, created for them by the society.

From the very beginning of its existence the Soviet state engaged itself in creating these political, social and economic conditions in order to provide rea l opportunities for women, formerly backward and illiterate housewives, to participate in labour and social life.

Already first decrees of the Soviet power, the Constitutions of 1918 and 1924 abolished all former laws which humiliated women in society and family and proclaimed the equality of women with men. Still it was important not only to proclaim but

to secure this equality, which meant quite a lot: the foundation for democratism and equity of the whole structure of life was being laid.

The founder of the Soviet state V.I.Lenin said that "to effect her complete emancipation and make her the equal of the man it is necessary for the national economy to be socialised and for women to participate in common productive labour. Then women will occupy the same position as men". (V.I.Lenin, Collected Works, Moscow. V. 30, p. 43).

The recognition of maternity as a social function was an important step towards real emancipation of women.

For the first time in history, a unique system of motherhood and childhood was created in our country, ranking among its most humane social achievements.

It was already by the end of 1920s that public economy, i.e. state and co-operative sectors, became predominant on the national level, which had its immediate effect on the percentage of women engaged in the socially useful labour.

By 1928 women accounted to 24 per cent of all employed in the national economy.

Nowadays, under the conditions of developed socialism, half of all material and cultural values are created by the hands and intellect of women.

In this country the concern shown by society for women's participation in productive labour and state management is optimally combined with individual interests of women.

It is typical that when 10 thousand women working at industrial enterprises in big towns were questioned whether they would

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like to quit their jobs, 93 per cent out of them answered negatively. There are more than 90 per cent of able-bodied women who either work or study. It is labour that determines in this country the status of a person, his social and family prestige. Socially useful work became an inherent necessity for millions of Soviet women.

The basic right of the man - the right to work - is guaranteed in this country by its socialist planned economy, stable and dynamic development of which ensures full and rational employment of all able-bodied. This was the basis on which emerged and firmly established itself a most characteristic feature of the Soviet people's mode of life - their confidence in the future; this was the basis which made it possible not only to proclaim in the new Constitution of 1977 extensive socio-economic rights of Soviet citizens but to guarantee their implementation as well.

Articles 35, 53 and 66 of the Fundamental Law of the USSR give a detailed and precise account of guarantees women are provided with in exercising their equality with men.

Equal opportunities with men which became a habitual standard for women do not release them however from their domestic chores and family duties.

Taking this fact into account the state displays its constant concern for problems related to children and family. This policy is incorporated in the state plans for economic and social development and in the state budget. Today, we have a full right to speak not only of equality but of certain privileges for women. The new USSR Constitution guarantees material and moral support accorded by the state to the family, the mother and the child.

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Special attention is paid to improvement of working and living conditions of women. The Soviet legislation defines measures aimed at health protection of working women.

Legislative documents are issued regularly listing types of production and professions with difficult and harmful for woman's health labour conditions where women's work is prohibited. The system of moral incentives for working women is successfully implemented as well. In 1978 the USSR Council of Ministers and the USSR Central Union of trade unions adopted the Decision "On additional measures aimed at improvement of labour conditions for women engaged in the national economy", which provided a new scope of allowances for working women.

The Supreme Soviet of the USSR has elected standing commissions from among the deputies dealing with matters of women's work and way of life, protection of maternity and childhood, which monitor the execution of the laws in question and submit their recommendations to the Presidium of the Supreme Soviet. The same deputy commissions are set up by the Supreme Soviet of Union Republics and the executive committees of the Soviets of People's Deputies of Territories and Regions. Women's commissions function in all the trade unions , from the USSR Central Union to factory ones.

Steady rise of the Soviet people's well-being and permanent concern shown by the Soviet state for women promote the growth of their social and productive activities.

Nowadays, women play an important part in all spheres of life of Soviet society - political, social, economic, scientific, cultural. In the Soviet consumer co-operatives women occupy a sig-

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nificant position as well.

There are two million women, i.e. two thirds of the total number of workers employed in the Soviet consumer co-operatives. Thus, among those engaged in the co-operative trade women constitute nearly 80 per cent and in the public catering - more than 85 per cent.

Quite a number of women work at co-operative research institutes persistently exploring most effective methods of co-operative management.

In general, women are widely represented at all managerial levels. During the co-operative electoral campaign which took place at the end of the last year 1 260 thousand women were elected to governing and control bodies, i.e. 49.5 per cent of the total number of those elected.

Every third board chairman and every second vice-chairman of a consumer society or a union of consumer co-operatives is a woman. This index is even higher in some Republican unions. In the Latvian Union of consumer co-operatives, for instance, more than half of board chairman are women.

Many women hold the highest position at the co-operative enterprises and establishments. Every second director of a retail trade unit, restaurant, canteen or a public catering complex, every third chief of a department, section or office is a woman.

Women are entrusted with 83 per cent of all posts of material responsibility, they predominate (80 per cent) among engineers, technicians, economists, commodity experts, accountants, inspectors and other specialists.

It is confirmed by life itself that woman can run business not

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worse and at times even better than man. It was in march of 1972 that Galina Stagurova was elected chairman of the Gluboksk district union of consumer co-operatives (Byelorussia). She is a person of principle, exacting, sensitive and attentive to people's needs. She is characterised as well by her skills to organise and her ability to reach the set targets.

Raisa Zolotaryova, board chairman of the Nikolayev district consumer co-operative (Volgograd Region), Merited worker of trade of the Russian Federation, Sidika Kasymova, board chairman of the Chinzan town consumer co-operative (Tashkent Region), Merited worker of trade of the Uzbek SSR, "Exemplary worker of the Soviet consumer co-operatives" title bearer, mother of five children also proved to be efficient leaders.

In general, the co-operative enterprises are equipped with manpower.

However, high development rates of the Soviet consumer co-operatives which provide trade services for nearly half of the country's population and open annually new specialised shops, canteens, cafes, restaurants, big purchasing and processing units result in additional demand for manpower.

Constantly growing co-operative trade turnover is the evidence of ever extending scope of consumer co-operative activities. By the end of 1980 it will reach 73.7 billion roubles and grow by 17-fold as compared to 1940. It goes without saying that rapid development of all fields of co-operative economy is accompanied by increase in number of workers and employees.

On the one hand, the scientific and technical progress extend the limits for utilisation of woman's labour, it opens for woman the access to operation of new technical equipment, to quickly

extending range of more qualified professions. On the other hand, new highly productive technology makes it possible to eliminate gradually manual labour and reduce the number of working places. Thus, the problem of providing manpower for the co-operative enterprises is being solved in two ways. First - by recuiting rural women busy with their individual plots of land and domestic chores, second - by reducing the share of manual labour.

A housewife may get interested in working at a co-operative enterprise only in case she spends less time on housekeeping, i.e. she is provided with more free time.

Pursuing this objective the state allocates, especially latel large resources for housing and cultural construction in the rural area, mechanization of agriculture, improvement of consumer services, transformation of the rural dwellers' mode of life, levelling up the conditions of life in town and countryside. I would like t cite some examples. The volume of consumer services increased by 2.3 times from 1971 to 1978. In 1979 this growth index for the whole country amounted to 7.9 per cent, while for the rural area it reached 9.7 per cent.

The changes which can be observed in the structure of the turnover are the result of the growing incomes and solvent demand of the rural population. Thus, there has been a steep rise in the rural sales of radios, bicycles, electric and household appliances, furniture, cars.

Taking into consideration requirements of the rural dwellers, both co-operative members and non-members, the construction of such retail units as supermarkets, department stores, specialised shops "Goods for Women", "Goods for children" etc. is given priority.

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Advanced methods of trade are being widely introduced, among them - self service, sales by samples or on preliminary orders, mail-order business, deliveries to home or work etc.

Industrial bread-baking, extension of trade and public catering network, production of consumer goods out of local raw materials, purchasing and marketing of agricultural production and wild plants being in possession of rural dwellers - all this many-sided activity of the consumer co-operatives is directed to the solution of an important social problem, namely, to making housekeeping less time consuming.

Facilitation of women's labour by utilisation of technological devices, improvement of conditions of work, life and recreation, raising the qualifications of the personnel is one of the most important objectives set up by the consumer co-operatives.

Improved technological equipment of production leads first of all to reduction of women's manual labour.

Reconstruction of functioning and building of new enterprises, introduction of more productive trade equipment, new working techniques and methods, comprehensive mechanisation and automation of labour consuming production processes are carried out on a wide scale.

During the last four years 96 per cent of the total growth of the industrial produce, 73 per cent of the trade turnover and the whole volume of construction and assembly works have been due to the risen level of mechanisation and increased labour productivity.

The 10th Congress of the Soviet consumer co-operatives which took place at the end of the last year approved, inter alia, the

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scientific and technical program for further reduction of manual labour at the co-operative enterprises. The program, to be implemented in the next five-year period, envisages, in particular, further growth in production of equipment and means of small mechanisation by the Centrosoyus plants. The equipment destined for the co-operative enterprises is designed and modernised with due regard for peculiarities of woman's labour.

Equipment of the co-operative enterprises with new modern technology goes hand in hand with measures aimed at improvement of production organisation and work.

Among the measures we can mention rational location of co-operative enterprises with account of needs of the population and manpower availability; broad specialisation and industrial co-operation; improvement of material and technical supply; reduction of the equipment demurrage; utilisation of progressive methods of work.

Tireless concern is shown for labour and health protection.

During the period of 1979-1980 it was spent twice as much for these purposes than in 1977-1978.

Special concern is shown for women who combine working with upbringing of children. It is forbidden to make expectant, or nursing mothers work in night shifts, overtime or on their days off. In accordance with medical certificates given to them expectant and nursing mothers, as well as mothers with children under one are transferred to easier jobs with retention of the average pay they received at their previous jobs.

Besides her maternity leave woman has the right to get an additional one until her child is one year old. In case of her getting this leave, the job is reserved for her and the working

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record is not interrupted. Mothers have the opportunity to work part-time or at home.

Women-co-operators receive medical care both from state and co-operative institutions.

There are medical offices, sanitary rooms, rest rooms for women-workers at the co-operative enterprises. Medical examinations are carried out regularly.

Striving to satisfy the requirements of women-co-operators the boards of co-operatives in collaboration with trade unions promote the development of the network of shops, canteens, buffets, sections to order foodstuffs, consumer services.

Ever growing assistance is accorded to families in the field of child's care and upbringing.

More than 60 thousand school-children spend annually their holidays at specialised recreation and health-building institutions The network of kindergartens and creches is constantly growing. The co-operatives allocate annually up to 10 million roubles for maintenance and running of these institutions. With the consent given by the co-operative members a great number of pre-school institutions are built with the help of deductions made from dividends. Children of co-operators may go as well to pioneer camps and sanatoria run by trade unions.

Great attention is paid to improvement of housing and living conditions of co-operators.

They get annually 25 000 sq. m. of floor space built with the help of co-operative funds. The housing is allocated to co-operators by the state as well.

Health-building institutions are fully available for women-co-operators. Centrosoyus has got 11 sanatoria, 88 recreation

centres, boarding-houses, dispensaries run by co-operative organisations and enterprises. The network of these institutions is constantly growing. The Uzbek Union of consumer co-operatives, for instance, has recently put into operation a new cardiological sanatorium, a sanatorium for people having gastric and intestinal diseases and a recreation centre are being under construction. All expenses for construction, maintenance and running of health institutions are covered by the co-operatives and from social insurance funds.

Women's requirements in the field of culture are growing. There are 60 thousand women who are members of various amateur art groups. In Georgia, for instance, women-co-operators' vocal ensembles, folk song-and-dance groups, folk instruments groups are organised. On the whole, within the framework of the Soviet consumer co-operatives there function nearly 6 thousand club-houses and 2.5 thousand libraries.

The co-operative club-houses in Uzbekistan, Estonia, Moldavia and other republics are active in organising literary and art soirées, displays of books, children's drawings, hand-made goods. "Weeks of women's art" are gaining popularity. Persons working in the arts and culture, in crafts etc. are invited to participate in these "Weeks".

More than 25 thousand women-co-operators go in for sports and take part in walking tours. They have at their disposal well-equipped stadiums, sports grounds and halls, gymnasiums and tourist centres.

The property of the co-operative cultural and sports centres (books, musical instruments, props etc.) are provided for co-operators free of charge. The co-operatives employ qualified specialists

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responsible for cultural and educational as well as for sporting work.

Public examination of working, living and recreation conditions of women-workers jointly organised by co-operatives and trade unions was of a great importance. This initiative gave birth to numerous proposals pertaining to improvement of women's labour conditions. 14 thousand out of all proposals were submitted by co-operators, 12 thousand have been implemented.

Improvement of conditions of work, life rest and leisure contributes to preservation of woman's health, raises her capacity for work, creates opportunities for her all-round development. Maybe, this is the reason why women-workers seldom leave co-operatives which allows us to speak about the stability of the working body.

Mechanisation and automation while considerably facilitating women's labour require at the same time an adequate advance in qualification and systematic refreshment of knowledge. The Soviet consumer co-operatives carry out on a planned basis training of specialists of mass trades out of whom women constitute nearly two thirds.

There function 153 vocational schools, 11 schools for auditors and instructors, 10 comprehensive schools, 2 schools for decorators and publicity agents, 2 thousand schools-enterprises which train specialists of nearly 40 professions. In 1979 the above-mentioned institutions had 165 thousand graduates.

But the most wide-spread type of training workers is that organised directly at the enterprises, establishments and offices in conjunction with plans of economic training which is carried out in the form of group, individual or course studies. Workers receive either paid leaves for these studies or attend them after

the working hours. In this way nearly 200 thousand women refreshed their knowledge in 1979.

Great attention is paid to professional training of young women-workers. In this respect a method of patronage has become very popular. Most experienced and qualified workers share their know-how with young people assisting them in their work.

Training co-operative specialists with higher and secondary specialised education is undertaken by 7 institutes and 127 secondary specialised schools; women constitute 70.8 per cent of those graduated last year from the co-operative institutes and 83.6 per cent of specialised secondary schools' graduates. Women-co-operators may study at these institutions either on internal or extra-mural basis. All the studies are carried out free of charge and on a single program both for men and women.

That is how the right to education is ensured with us.

Overwhelming majority of women-co-operators work conscientiously and enthusiastically. We can name quite a number of women standing high in the co-operators' esteem due to their efficient work. Among them are Mucharam Yuldasheva, director of a shop run by the Karakul district consumer co-operative (Bukhara Region, Uzbek SSR), who has a 30-year working record in a co-operative and is awarded the title "Exemplary worker of the Soviet consumer co-operatives", Young Communist League prize-winners Galina Dementyeva, confestioner, Lyudmila Lavrova, cook in a restaurant, Galina Rondina, senior shop-assistant, Glafira Dorosh, cook in a public catering complex, author of 18 dishes cooked now not only at her enterprise but at the restaurants of Kiev, the Ukrainian republic capital.

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Many women occupied in the spheres of production and services combine their main work with creative one by devising and submitting important proposals aimed at rationalisation of trade and public catering, improvement of labour organisation and raising its productivity.

The scientifically-grounded system of material incentives contributes to effective development of production initiative. Both co-operative and state enterprises observe the principle of equal remuneration for equal work in accordance with its quantity and quality. Last year new terms of remuneration were introduced for all co-operative workers and employees.

The minimum wage has been set with the level of it raised by 3.5 times as compared to 1950. Wage rates and remuneration were raised for the categories of workers and employees with average earnings. For those who are paid by piece or by time the method of surplus remuneration in a form of special prizes for highly productive labour is widely applied.

Various forms of moral incentives play an important role as well. Best women-workers are awarded orders, medals, diplomas, they are given honourary titles, their names are put down in the Book of Honour or on the Board of Honour, etc. Mass information media as well as the Centrosoyus pavilion at the USSR Exhibition of Economic Achievements give them wide publicity.

In this country has the greatest respect for a working person. Trade unions, public organisations show constant concern for uniting working people, creating the climate of benevolence, friendly co-operation and mutual assistance in the working groups, promoting the development of woman's personality, full uncovering of her abilities which allow her to occupy a high position in society and

family.

Progress of the Soviet consumer co-operative movement depends to a considerable degree on social, political and working activities of women-co-operators.

Soviet society as a whole is interested in the solution of an important social task, that of equality of women. Pursuing this objective the state program of development envisages further measures aimed at improvement of working and living conditions of working mothers.

Thus, Lenin's thesis that one of the ways leading to women's equality and flourishing of their personality is their active participation in common productive labour has found its full confirmation in the practice of the Soviet consumer co-operatives.

Under the conditions of the Soviet socialist state favourable opportunities are created making it possible for women to combine motherhood with active participation in work and social life.

So, you were able to see from all the facts mentioned in this paper that women-co-operators make full use of these opportunities and have achieved a considerable progress in their co-operative work.

INTERNATIONAL CO-OPERATIVE ALLIANCE

ICA Women's Conference on

"Women and Work in Co-operatives"

10th and 11th October 1980

Hotel Cosmos, Moscow, USSR

SOCIAL & VOCATIONAL PROMOTION OF WOMEN WITHIN THE WORKERS' PRODUCTIVE CO-OPERATIVE MOVEMENT IN POLAND, INCLUDING CO-OPERATIVES FOR THE DISABLED

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SOCIAL AND VOCATIONAL PROMOTION OF WOMEN IN THE WORKERS' PRODUCTIVE CO-OPERATIVE MOVEMENT IN POLAND, INCLUDING CO-OPERATIVES FOR THE DISABLED

There are numerous and varied forms of co-operative activities in Poland. Among various co-operative organisations, the workers' productive co-operative movement includes mainly the small industry sector and service enterprises. In 1979, the workers' productive co-operative movement had 1,678 co-operatives with 750,000 members, 391,000 (52%) were women. The workers' productive co-operative movement contributes about 5.5% of the country's industrial output.

The workers' productive co-operative movement can boast of considerable achievements as a social and vocational promoter of women. Women produce more than 55% of the gross production and services value of the co-operatives. Their contribution towards carrying the work was considerable already in the early post-war years.

The number of women employees has increased in parallel with the quantitative and organisational development of co-operatives. This was undoubtedly related to the fact that the co-operatives were in need of services that had been long provided by women, such as sewing, hairdressing,embroidering, lace-making, knitting, ceramics and weaving. Women possibly also felt attracted by the fact that the jobs they were doing met some immediate everyday human needs and supplied a variety of services and small products for everyday use. The rapid integration of teams in the conditions offered by workers' productive co-operatives was also important, as was the atmosphere, which was conducive to shaping the attitudes of activists committed to the economic, social and educational development of co-operatives, which were both work places and associations of people.

Yet the main reasons which decided women to take jobs in co-operatives was that they were qualified to work in trades that had been traditionally female and the financial significance of the work for their family budgets. Seeing that they were useful and at the same time strengthening their personal status, the women were fully satisfied when they went to work in co-operatives and did what they were familiar with.

The co-operatives too were interested in employing women and increasing their participation since this could solve the then complicated problems of acquiring new workers. In the early post-war period, marked by a basic shortage of labour, men fit for work were absorbed by industry. The co-operatives offered work to women; not only to those who had the required qualifications, but also to those who had no vocational training at all. At the same time the co-operatives dispatched their qualified employees to work as instructors in shop-floor training projects for the newly employed unqualified women. The women were trained in a variety of trades. A system of cottage industry was developed for those women who could not leave their homes because of their family duties or for health reasons. This convenient form of wage-earning allowed women to combine work with family duties. Particularly meritorious in this respect is the "Cepelia" Union of Folk and Artistic Handicraft Co-operatives, which organises cottage industries chiefly among village craftswomen. Vocational promotion also included disabled women. They were offered jobs in trades in which they could safely work after they had a acquired the necessary skills. For disabled women, especially those with impaired movement capacity, jobs as home workers were the most convenient they could get. More part-time jobs were created in order to boost employment of women in workers' productive co-operatives.

Finding employment for women who were the sole providers for the family was a considerable problem in the post-war years. The co-co-operative movement created jobs by developing various forms and systems of employment. This was of particular importance in underdeveloped areas with a surplus of labour as well as in big industrial centres which offered employment chiefly to men. At that time women were reluctant to take jobs in trades which were traditionally male.

The status of women was strengthened and the number of employed grew in the workers' productive movement; in 1979, women accounted for 52% of the total workforce. They have acquired skills in new trades, frequently in those which require considerable precision work. In a number of cases they have set an example of a high degree of specialisation, both technical and conceptually creative.

In most cases they have become qualified workers, foremen and technicians. Thanks to their good qualifications many of them hold managerial posts in the production, services, product quality control and supervision departments. The number of employed women depends to a large extent on the profile of member co-operatives of a given union and on the needs of a given region. The largest numbers of women are employed in co-operatives belonging to "Cepelia", toy industry, printing services and textile and garment producing unions. Women account for nearly 80% of their employees.

Now women do not limit themselves to the traditionally female occupations. An increasing number of them work as chemists, electronics specialists, jewellers, opticians, mechanics, leather industry workers etc.

In general, women do all kinds of work in the production and services sectors, excluding strenuous and hazardous ones which they are barred from doing for health reasons according to the government regulations. An increasing number of women hold posts in administration and book-keeping departments. Both in co-operatives and unions of co-operatives women predominate as accountants and book-keepers and particularly so in welfare and culture/education departments. There are many women board chairmen and members. Currently, 812 women are board members and 8,995 are members of supervisory councils. It is worth mentioning that the post of the Chairman of the Council of the Central Union of Work Co-operatives is held by a woman, Mrs. Maria Soltyszewska, present here and participating in this conference.

The high level of vocational promotion of women and the growing female employment rates in the traditional and new occupations demonstrate the irreversible changes in the status of women and their social and vocational advancement. The process of vocational promotion of women has not been completed yet in the workers' productive co-operative movement. The constant improvement in the education of women and girls and their vocational ambitions will contribute to a planned employment policy for them. Apart from the planned employment policy there will always be urgent immediate tasks to be solved by the workers' productive co-operative movement

as part of the in-job promotion of women.

The system of cottage industry has a long tradition though the forms and functions have changed with the social and economic transformations. It also plays an important social role by promoting economically underdeveloped areas and offering employment to certain groups of the population.

In Poland, the cottage industry is organised by a number of socialised enterprises of the small industry sector. The workers' productive co-operative movement is the main organiser of this sort of work; it employs 130,000 persons in various trades.

The workers' productive co-operative movement develops cottage industry chiefly through separate production departments in industrial co-operatives. In recent years, this system has been extended to the services and handicrafts sectors.

A variety of products are made under the cottage industry system. The goods supplement the production of regular work establishments; some are components of goods produced by the co-operatives. The jobs include also finishing work and manufacture of folk art objects.

The assistance extended by the co-operatives to home workers in many-sided. The co-operatives provide technical and organisational training, organise guidance projects, prepare patterns, organise supplies, sales and transportation. They also offer preliminary training in order to prepare the workers for performing particular operations or making particular goods and providing further skills, training for workers already employed.

Women account for 80% of those employed in this system. There are varied reasons for women taking up work at home. The system creates more convenient conditions for carrying out family duties, while supplementing family budgets. This is a very important factor in many families, and in situations when a woman takes care of a seriously ill family member. This system of work is the main source of income for single women who are the sole providers for their families and for the disabled whose impaired mobility does not allow them to work outside their homes.

Most frequently, women follow traditional occupations such as dress-making, shirt-making, embroidery, weaving, knitting, etc. Each year the workers' productive co-operative movement increases the number of jobs available to women by employeing them in leatherware and shoe-top manufacture, electronics, pringint etc. The co-operatives try to place orders with home workers for operations which require a considerable amount of manual labour and are not complicated. Women employed to perform these operations develop the necessary skills in a relatively short period of time, which is essential for their wages.

Both the work establishments and women employed in the system are interested in the development of cottage industry. The system allows the co-operatives to create a number of new jobs at a relatively low cost and for a small investment.

The co-operatives supply home workers with appropriate equipment, simple tools and machines. Frequently, the employees use their own machines while the co-operatives supply only some auxiliary equipment and appropriate materials, e.g. raw materials.

Cottage work is organised in different ways, depending on the type of production and the number of employees. In general, the co-operatives take care of the transportaiton of raw materials and finished products, particularly when the weight of the goods makes it impossible for the home workers to deliver them to the enterprises.

Unskilled women have to go through a period of shop-floor training; the length depends on how complicated operations included in the training programme are. Training usually lasts from several to a dozen or so weeks. The main emphasis is put on practical methods, i.e. demonstration and instruction. All women employed as home workers receive general industrial safety training; where strenuous jobs, requiring caution are involved, such training is more thorough.

Home workers in Poland have acquired the same rights as full-time workers, including holidays with pay, health and maternity leave with pay.

The period of employment in the cottage work system is used to calculate old age pension rates.

The unique activities of the co-operatives for the disabled play a very significant role in the activities of the workers' productive co-operative movement in general.

Vocational rehabilitation of the disabled has become one of the most important goals of the social and economic policy in our socialist state after the Second World War.

The co-operative movement for the disabled was asked to resolve the difficult problems of vocational rehabilitation. The first statute granted membership rights to disabled soldiers and victims of job-related accidents, as well as to the widows and orphans of the disabled. From the very beginning of the co-operative movement for the disabled, women were employees and members of co-operatives, since the percentage of disabled women was considerable in all disability groups.

In 1979, 50% of the employees in co-operatives for the disabled were women. They worked in the production, services and sales departments. Each year, more and more women take jobs that have previously been all-male.

Employing women with impaired capacity for work was and still is a difficult matter; their training requires much attention and numerous joint activities by physicians, psychologists and instructor foremen, running vocational training. If the work performed is supposed to give most satisfaction, one has to observe the rule of making use of the preserved skills and capacities which allow for individual instrumentation, even though the latter will ne er be a substitute for natural capacities. Selecting occupations which are appropriate to the physical and mental capacities of the disabled persons is a matter of utmost importance to successful rehabilitation. The women are offered jobs in regular enterprises; depending on the outcome of the rehabilitation process and the women's ability to work. In cases of grave disability, within the cottage industry, they work in protected workshops.

The co-operative movement for the disabled, being concerned about the health of its employees, conducts wide-ranging prevention, treatment and rehabilitation programmes. It involves physicians in

individual enterprises and over 300 outpatient rehabilitation clinics in the co-operatives for the disabled. The co-operative movement for the disabled has created a wide-range of facilities to help the vocational rehabilitation and participation in the social life of the co-operatives for women. Vocational training and skill upgrading projects are of particular importance as most of the women affected acquire their qualifications during vocational rehabilitation.

Much attention is also being paid to cultural and educational activities. They create opportunities for fulfilling artistic needs and interests and contribute to the development of the individual and to an active social attitude.

Health recovery and restoration of stamina of the disabled employees assume particular importance in the process of vocational rehabilitation. Valuable help is rendered by social workers whose job is to investigate the living conditions of disabled persons, file applications and explain the scope of benefits. All forms of social assistance are available to the disabled women and to their families - especially to their children.

Thanks to these policies the vocational promotion of women increases; at the same time more and more women join the governing bodies of co-operatives. Particular emphasis is being put in the Union of Co-operatives for the Disabled on expanding and diversifying social assistance, creating new jobs, appropriate choice of occupations, adding new vocational lines and specialisations to match various degrees of disability and introducing machines in jobs that are still manual.

The clubs for women members in the co-operatives for the disabled are very efficient in notifying their Boards about their members' needs, helping to reach solutions and implementing them.

The help offered to a woman when she loses her mental or physical capacities and is unable to hold her present job is very important. It seems that the example of the Polish co-operative movement which creates conditions for the full return to active live of disabled persons deserves to be widely popularised. This is of particular importance now that the United Nations has proclaimed 1981 the Year of the Disabled

In conclusion I should like to make a few remarks on the participation of women in the self-government bodies of workers' productive co-operatives.

The workers' productive co-operative movement is characterised by the integration of economic, self-government and socio-educational activities with a system of self-management, which promotes initiatives and control.

From the very beginning of its existence, the workers' productive co-operative movement recognised the rights of women to full employment and membership. This was expressed in the statutes, resolutions and other documents of the co-operatives as well as in practice. Winning over women for membership in the co-operatives was in the interests both of the co-operatives - as an influx of women promoted growth - and of the women themselves, as they were given an opportunity to get a job and develop skills. By removing barriers that blocked women's access to a number of occupations, the workers' productive co-operative movement creates conditions for social promotion of women and their active participation in the co-operatives, which are both associations of people and work establishments.

Women are very active in the workers' productive co-operative movement; they account for 28% of Board members and for 30% of Council members.

Since more and more women in socialist Poland complete university-level studies we are convinced that an increasing number of them will be appointed to managerial posts. We believe that the workers' productive co-operative movement has made a very important contribution to the social and vocational promotion of women in Poland.

INTERNATIONAL CO-OPERATIVE ALLIANCE

Reno

ICA Women's Conference on

"Women and Work in Co-operatives"

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Hotel Cosmos, Moscow, USSR

REPORT ON THE WORK OF THE ICA WOMEN'S COMMITTEE - 1976 to 1980

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ICA Women's Conference, Moscow, USSR

10/11th October 1980

Message of Greetings from the Director-General of the ILO

The ILO, firmly believing that women have a primordial part to play in the economy and in society has always considered that they should be accorded an essential role in economic and social progress. The very purpose indeed of all Conventions, Recommendations and Resolutions the ILO has adopted on behalf of women workers has been to enable them to fulfil this essential role.

The Declaration on Equality of Opportunity and Treatment of Women Workers made at the International Labour Conference in 1975 called for special efforts to be made to improve the status of women in developing countries by ensuring that women, particularly in rural areas, are accorded an equitable share in all resources - national and international - available for development and that they are closely associated with development planning and implementation at the international, national and community levels.

The Programme of Action of the World Employment Conference, in adopting these principles, called for emphasis to be placed in developing countries on promoting the status, education, development, and employment of women and on integrating women into the economic and civil life of the country.

The ILO is trying to translate these principles into practice throughout its programmes of assistance to developing countries, including those aiming at the promotion and strengthening of co-operatives. An underlying objective in ILO's co-operative programmes is to apply the principle that women should benefit by the co-operative movement in the same way as men, either as active members or as part of a member's family.

Emphasis in ILO's technical assistance to co-operatives is placed on strengthening co-operatives that can improve:

- income and employment opportunities for women in agriculture, small-scale industries and retail trading;

- the living conditions of women by the distribution of food products or other basic commodities, by encouraging thrift and credit, by providing equipment and services to ligthen the daily work load;

- social services by better rural amenities (health, housing, sanitation and child care) or by adult education.

Where it is not possible to establish co-operatives of mixed membership or where a male majority may place a cultural brake on the active participation of women, the establishment of women's co-operatives are encouraged. However, the main emphasis is rather on integrating women into the development process and all related stages of co-operative activity rather than isolating women by treating the separately.

A key to participation is through a proper understanding of the role and benefits of co-operatives, and by the acquisition of the necessary skills. Thus equality of treatment and opportunity is fostered in ILO's Co-operative Programmes in respect of women's access to co-operative education and training, in order to encourage an informed membership of women, to permit women to take on managerial and other staff positions in co-operative societies, and to be employed by agencies responsible for co-operative development.

In spite of the efforts being made by so many agencies and in so many countries to improve the status and role of women, the results are slow - there is a long way to go before women are in a position to play the dynamic part in development which is commensurate with the real work they do and the responsibilities they assume.

ILO therefore welcomes the initiative of the International Co-operative Alliance in organising the Conference on "Women and Work in Co-operatives" and is confident that the discussions can result in new steps forward towards the achievement of a more active and equitable participation by women in institutions which are designed after all to help people through their own efforts.

Whereas the ILO is unfortunately unable to participate directly in this Conference, nevertheless every effort will be made to be closely associated with follow-up action which may result from the Conference's conclusions and recommendations.

We send delegates greetings and every wish for a succesful conference.

Geneva, 17th September 1980

REPORT ON THE WORK OF THE ICA WOMEN'S COMMITTEE - 1976 to 1980

GENERAL INTRODUCTION

The ICA Women's Committee, an auxiliary of the International Co-operative Alliance, organises a Women's Conference every four years in connection with the ICA Congress. The last Conference was held in September 1976 at UNESCO House in Paris. The theme was "The Problems of Food Resources and Energy - The Co-operative Answer", a theme, which is no less a topic today, than it was in 1976. The Conference was attended by about 150 delegates from 26 countries.

This year, the number of delegates and countries will be about the same. However, through the generosity of Centrosoyus, our host organisation, and member organisations in Bulgaria and Sweden, which have made available a number of scholarships to co-operators in developing countries, we are pleased to know that this time we have a much larger participation from the Third World.

Every four years, i.e. at the first annual Committee meeting after Congress, the Women's Committee re-elects its Executive, which is made up of 7 members. The present Chairman is Mrs. Ulla Jonsdotter from Sweden.

In this last four-year period, the number of representatives on the Women's Committee has doubled, i.e. there are now 70 representatives from 36 countries, including 10 developing countries. Fourty-seven different ICA member organisations are represented. They cover consumers', agricultural, workers' productive and insurance co-operatives.

The Committee has met annually: 1977 and 1978 in the United Kingdom, 1979 in the German Democratic Republic and 1980 again in the U.K. The ICA would like to thank the Movements in the above-mentioned countries for their excellent hospitality. We would also like to include in these thanks the Movements of the Federal Republic of Germany and Denmark for hosting Women's Executive Committee meetings.

COLLABORATION WITH OTHER ICA AUXILIARIES AND WORKING PARTIES

At the 1976 Congress the ICA passed a resolution on Collaboration between Co-operatives, which includes collaboration between the various ICA Auxiliaries and Working Parties. As women are interested in all co-operative activity, our Committee has always looked for ways of practical collaboration with these bodies, but it is perhaps due to the aforementioned resolution that during this last four-year period, we can show so many examples of collaboration.

Housing

In 1979, largely on the initiative of the Women's Committee, a seminar on "The Role of the Family in Housing Co-operatives" took place in Sweden. This was jointly organised by the Housing Committee and the Women's Committee of the ICA. Among the aims of the Seminar was to focus attention on the need to use all human resources available in housing co-operatives. This includes the encouragement of women as equal partners in the housing co-operatives at all levels, i.e. administration and management, besides assisting with social welfare. The Seminar was attended by 39 participants from eight countries (25 women and 14 men !) There were lectures, visits to housing co-operatives and study group sessions. One of the main conclusions of the Seminar was that it was important for housing co-operatives not just to be seen as providers of housing for low-income groups, but also as providers of education for their members, committees and employees, as well as the general public on the principles and techniques of co-operation, both economic and democratic.

Agriculture

The ICA Women's Committee has a small sub-committee called the "Women's Agricultural Working Party", which meets annually in connection with the full Committee, under the Chairmanship of Mrs. Mara Rupena, Yugoslavia. This group brings together several members of the Committee who have strong interests in agricultural co-operatives and is concerned with agricultural issues as they affect women, especially the rural poor. It keeps in close touch with FAO (Food and Agriculture Organization of the United Nations), IFAP (International Federation of Agricultural Producers) and

COPAC (Committee for the Promotion of Aid to Co-operatives), through an ad hoc group consisting of women representatives of those organisations and ICA. Through this group a consultant was engaged to write a paper on "Women's Co-operative Participation and Fight against Rural Poverty" for the 1978 COPAC Symposium on "Co-operatives against Rural Poverty".

So far as the ICA Agricultural Committee is concerned, their contact with the Women's Committee is mainly through the Women's Agricultural Working Party. The lattter has a standing invitation to attend its meetings, where we can emphasise the problems of women in rural areas. Collaboration with this Committee is particularly important because agriculture is such an important sector of co-operative activity and we know that not only do farmers wives work as hard as their husbands in the agricultural enterprise, but in many cases, especially in African countries, where men work away from home in industry, the women are left with the hard toiling, more often than not with primitive tools.

In this connection the FAO World Conference on Agrarian Reform and Rural Development, which took place in Rome, last year, must be mentioned. As a follow-up, FAO is collaborating with INGOs (International Non-Governmental Organisations), such as the ICA in looking for projects which it could finance under a programme entitled "People's Participation in Rural Development Through Promotion of Self-Help Organisations". The Secretary of the ICA Agricultural Committee attended the 1980 meeting of the Women's Agricultural Working Party and informed members about this FAO scheme, with the result that the representatives on the Women's Committee from developing countries are being asked to consider submitting proposals for income-generating projects involving women.

Consumers

This is another very important subject for women and our Committee hopes, in the near future, to arrange a joint programme with the ICA Consumer Committee, along the lines of the collaboration it had with the Housing Committee. In the meantime, we shall continue to exchange minutes of our meetings with this Committee.

Libraries

The Women's Committee has collaborated with the ICA Working Party for Co-operative Librarians and Documentation Officers in compiling a bibliography on "Women and the Co-operative Movement". Unfortunately we were not as successful as was hoped in gathering information covering the broadest possible geographical area. However, there is scope for on-going collaboration and it is hoped that a bibliography on the same subject, giving fuller information, can be published within the next year or so.

Press

At the moment, plans are being made for a joint meeting of the ICA Press Working Party and the Women's Committee. This will take place on the occasion of the 1981 Central Committee meeting and the subject for discussion will be "Women and the Co-operative Press", a theme which should result in a very interesting discussion.

Through collaboration with these and other Committees and Working Parties of the ICA, we aim, as always:

a) to make organisations aware of women's interest and participation in all the different co-operative activities; and

b) hopefully, having started the dialogue, to encourage these organisations to nominate more women to ICA committees and as delegates to the various national, regional and international co-operative seminars and conferences which take place around the world, whether they deal with consumers, agricultural, workers' productive, housing or any other type of co-operative activity.

DEVELOPING COUNTRIES

For some years now, we have had Women's Education Officers in the ICA Regional Offices, i.e. in Moshi and New Delhi, where women's programmes are well established. But the Women's Committee continues to pay attention to the situation of women co-operators in developing countries; at our annual meetings, progress reports are received from the Women Officers in East Africa and South-East Asia. As they are both here to present papers, I will leave it to them to give you more information about women's involvement in co-operatives in the Regions.

Unfortunately, the Women's Committee has no funds of its own to arrange events for women co-operators in the Third World, but ways of financing women co-operators to visit advanced countries and attend the Committee meetings are continuously being explored. In this way, for instance, we have been able to secure group travel grants from UNESCO for 12 women co-operators from South-East Asia, East and West Africa and Latin America to undertake co-operative study tours and to attend the meetings of the ICA Women's Committee.

On one of these occasions the Committee organised a consultation on "The Educational Needs of Women in Developing Countries", which provided an opportunity for first-hand exchange of experience and information between members from developing and industrialised countries.

Similarly, at the 1980 annual meeting, the Committee discussed with the UNESCO scholarship grantees from Africa and South-East Asia the subject "Equality for Women in Co-operatives - Legislation and Reality". This was quite a stimulating theme. It was seen, for instance, that while the state and/or co-operative legislation did not usually spell out discrimination against women, some unwritten and customary laws in developing countries certainly did affect women's rights and therefore often their full participation in co-operatives in a negative way. The Women's Committee would now like some in-depth research to be carried out in selected countries of the world, possibly at United Nations level. This would mean, in effect, a combined examination of legislation and customary laws as they affect women's participation in co-operatives and other social institutions, which, of course, reflect the status of women in society in general.

In connection with the above mentioned travel grants, ICA and its Women's Committee wishes to thank the Co-operative Movements of Denmark, Hungary, Poland, Sweden and the U.K., without whose generous hospitality the very extensive study tours could not have been organised.

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COLLABORATION WITH UNITED NATIONS AGENCIES

As ICA enjoys consultative status with the Economic and Social Council of the UN, it is entitled to send observers to many of the meetings of the UN Agencies, where it always tries to deliver statements on matters of special concern to us as co-operators. If such events are dealing specifically with women, the ICA normally asks the Women's Committee to appoint a delegation. Thus ICA was represented at the World Conference of the UN Decade for Women, which took place in Copenhagen, Denmark, in July, by the Chairman of the Women's Committee and members from Denmark and Poland. They managed to present a statement on behalf of our organisation, which was accepted for inclusion in the documentation.

There are, of course, many UN events not specifically organised for women, but as women are interested in all aspects of life, the Women's Committee always endeavours to have a woman co-operator included in the ICA delegations. A good example during the last four years is the FAO World Conference on Agrarian Reform and Rural Development, which I have mentioned earlier on where the inclusion of a woman co-operator resulted in the ICA delegation highlighting the situation of women in rural areas in the Third World.

Here again, we must thank the various member organisations, which have over the past few years made it possible for Women's Committee representatives to attend many of these events.*(See page 9)

"BUY A BUCKET OF WATER" CAMPAIGN

Though the "Buy a Bucket of Water" campaign could have been mentioned under "developing countries" or "relations with UN Agencies" in view of the fact that UNICEF was the lead agency for this year, I think this campaign deserves a separate heading - for many reasons.

The campaign was, of course, adopted by the ICA as a whole as its contribution to the International Year of the Child, but the Women's Committee can really take credit for thinking up this scheme in response to UNICEF's recommendation that organisations should not mark this Year with large-scale conferences but

with practical schemes which would benefit women and children in rural areas of developing countries. This world-wide campaign which resulted in the collection of over a quarter of a million Pound Sterling has enabled us to sink water wells in many countries in South-East Asia, East and West Africa and Latin America. There is not time to go into details here, but a separate report is available for Congress.

We would, however, like to express our appreciation to co-operators all over the world - men, women and children - who with their action have proved that co-operation means more than gathering at national and international meetings; co-operation is also about helping people in need.

Last, under this paragraph, but certainly not least, it is my pleasure to thank my predecessor, Muriel Russell, who on her official retirement from the ICA took on the role of Project Co-ordinator for the "Buy a Bucket of Water" scheme. She would probably not wish me to mention it, but I think you ought to know that she directed this project, which from many aspects was much more difficult to organise than anyone could have forseen, on an entirely voluntary basis.

LONG-TERM PROSPECTS AND PROGRAMME

At this point I would like to quote a remark which our Chairman made recently at the annual meeting. She said "The Women's Committee is the only Committee in the ICA which works towards its own self-destruction". This sounds a little startling at first, but we must always keep in mind that the Women's Committee was set up to promote the participation of women in all co-operative spheres and on all levels, rather than to create a separate niche for women. When I say "we" it includes men; I sometimes wonder whether they keep our aims in mind. It is hoped that the fact that the Women's Committee has doubled in the number of representatives does not mean that organisations have chosen to nominate women to this Committee rather than include them among male representatives to other ICA bodies.

It seems to me that while the last 4-year report to the Conference could show quite an improvement so far as women's participation

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and representation on ICA Committees was concerned, this time we cannot be very enthusiastic. The ICA Central Committee, for instance, with approximately 300 members appointed by member organisations counts only 9 women. The ICA Executive has none at all.

The Housing Committee and the Agricultural Committee of the ICA have no women members, despite the fact that both areas are so very important to women. The Consumer Committee has some women representatives, but again the number is quite low, considering consumer policy affects women in the most direct way.

When the representation of women on all these Committees looks more like being on an equal basis with men; when member organisations nominate women co-operators to all ICA conferences, seminars, etc, including Congress, without constantly being requested to do so by members of the Women's Committee, then I think we have achieved our aims. A fair representation of women at the international co-operative level must surely mean a fair representation of women at national and local level around the world.

But until that day comes, we must and will continue, according to our constitution, to promote ideas, schemes and programmes, which we hope will promote the integration of women in co-operatives and ultimately change the attitude of complacency which accepts that in the nature of things, men occupy the overwhelming majority of high offices.

To be meaningful, women's participation must be reflected at all levels - from the primary co-operative to the international body.

* There is also the possiblity of working with these organisations in joint events, which they sometimes finance either wholly or partly. For example, in 1977 the former Secretary acted as consultant to the ICA/ECA Seminar on "The Promotion of Handicrafts and Small-Scale Industries through Co-operatives" in Kenya, and in 1978 she acted as Joint Director in a Women's Seminar for South-American countries, which UNESCO co-financed, the first ICA event for women in that part of the world.

INTERNATIONAL CO-OPERATIVE ALLIANCE

ICA Women's Conference on

"Women and Work in Co-operatives"

10th and 11th October 1980

Hotel Cosmos, Moscow, USSR

WOMEN'S INVOLVEMENT IN CO-OPERATIVES IN THE REGION OF SOUTH-EAST ASIA

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WOMEN'S INVOLVEMENT IN CO-OPERATIVES IN THE REGION OF SOUTH-EAST ASIA

I. Introduction

The ICA Regional Office and Education Centre for South-East Asia serves 14 countries in the Region of South-East Asia. These are: Australia, Bangladesh, India, Indonesia, Iran, Japan, the Republic of Korea, Malaysia, Nepal, Pakistan, the Philippines, Singapore, Sri Lanka and Thailand. Of these countries two, namely Australia and Japan, have highly developed economies; the rest are in various stages of development. Except for Singapore, where trade and commerce are the main occupation, the others are all agricultural in character, and the majority of their population live in the rural areas, and are dependent on agriculture for their livelihood.

All over the Region land holdings are small. Cash incomes are low and agriculture is largely dependent on the vagaries of the monsoon. These and other factors make life hard for rural people, most of whom are subsistence farmers.

We are concerned here mainly with women, both in the rural and urban areas in the countries of the Region. Because of illiteracy, low levels of literacy, social traditions and similar set-backs to the advancement of women, life is also hard for women in the urban areas - especially those belonging to the poorer section of society. Either they cannot succeed in finding employment, or working as unskilled labour they are exploited. There are, of course, in every country highly educated and highly skilled women, but we are speaking now of the majority who do not belong to this class. It is the duty of co-operatives and similar agencies, and of men and women leaders, to see that women have equal opportunities for building a better life for themselves and their families. There are families who do not even have the basic necessities of life in the way of food, water, shelter and clothing.

II. Co-operatives of Interest to Women

Co-operatives are one of the agencies which can help women to attain a better standard of living, and because of their particular needs we find that the types of co-operatives which attract women most are producer, thrift and credit and consumers' co-operatives. We will

briefly deal with each of these.

There are many producer co-operatives and their activities are very varied. There are the ancilliaries which are dependent for work on large enterprises. The women either make small components for larger machinery, or do assembly work. They are given on-the-job training, and when the work is completed the concerned enterprise will collect the goods and transport them to their destination. The women are paid for their labour. Such societies do not face problems with regard to raw materials or marketing, and in some cases they are even provided with working space.

There are other forms of co-operatives which enable women to earn supplementary incomes. These may be broadly classified as follows:

a) Societies which process, preserve and manufacture foodstuffs, including juices, squashes, spices and other edible items;

b) Those which undertake tailoring, production or ready-made garments, knit-wear, household linen, embroidery and bead work, bags and similar items;

c) Village based traditional type societies dealing in handicrafts, handloom weaving and cottage industries;

d) Societies which run crêches,canteens, and similar services for working people.

In the Kaira District of Gujarat State in India, rural women are involved in the milk co-operative societies which are linked to the well-known Amul Dairy. The men are farmers, and the women milk, feed and take care of the cattle. Special milk collection centres have been set up, and twice a day the women deliver milk to these centres. The milk is tested and weighed, after which the women are paid in cash for the milk supplied.

Men and women workers are the members of the thrift and credit co-operative societies which make available to their members loans in times of distress, on reasonable terms of interest and repayable in easy instalments. In India there are some banks which are entirely owned and operated by women such as, for instance the Indira Co-operative Bank in Bombay, Maharashtra State. These banks provide their members with loans for productive purposes.

In the wake of rising prices, hoarding and blackmarketing, food adulteration and a lack of proper consumer protection, housewives prefer to patronise the consumer co-operative stores. In Bombay the Laxmi Consumer Co-operative Society - an all-women's society - owns and operates a number of consumer stores. By and large, however, women are not the members of the consumers' co-operatives, apart from Sri Lanka, where the situation is different. Here there are women members also in the consumers' co-operatives, and there is an on-going "Women's Consumer Education Project" - the first of its kind in the Region - which was initiated by the Union of Consumers' Guilds in Sweden. This project is being run on a pilot basis by the National Co-operative Council of Sri Lanka with assistance from the Swedish Co-operative Centre. It is linked with nutrition, income-generating and other welfare activities aimed at improving living conditions of the members of consumers' co-operatives. Later the project will be taken over entirely by the Co-Co-operative Movement of Sri Lanka and will cover the whole country.

III. The Position of Women in Co-operatives

Women's entry into the co-operative field is of very recent origin. In 1962, when the ICA Regional Office held a Regional Seminar in New Delhi - the first of its kind - on "The Role of Co-operation in the Emancipation of Women", there were representatives from international, national, government and voluntary agencies, including women's organisations, but hardly any women co-operators, as very few were to be found. One of the aims of the Seminar was to explore the possibilities of drawing women into the co-operative fold.

In pursuance of this aim, the ICA requested an eminent Pakistani woman co-operator to undertake a study entitled "Co-ordination of the Activities of the Co-operative Movement and Women's Organisations in South-East Asia". During her study visits to the different countries of the Region, Dr. Shah Zaman had discussions with co-operative officials at the national level and with the women's voluntary organisations to seek their suggestions as to how collaboration could be developed between the co-operatives and the women's organisations.

After the study report was prepared it was circulated in the Region, but the response was very poor - in most cases only acknowledgements were received.

In Japan women were already organised in the agricultural consumers' and fisheries sectors of the Movement. In India it was in 1966 that "Women's Wings" were set up all over the country for the special purpose of promoting and developing women's participation in co-operatives. By the Seventies women's co-operative activities had started to develop in the other countries of the Region as well.

It was around 1975 that women's contribution to the Co-operative Movement came to be taken more seriously. As a result of the United Nations International Women's Year, attention came to be focussed on women and their problems, and a wealth of literature on women, written by women, was produced. In the co-operatives too, greater attention was given to the involvement of women. The ICA Regional Office, in support of International Women's Year, held a Regional Conference in July 1975 in Kuala Lumpur, Malaysia. At that Conference certain facts emerged:

a) except for Japan and India, women were not extensively involved in co-operatives, and

b) apart from these two countries, there was no special machinery for involving women in co-operatives.

The Conference, therefore, recommended that:

1. surveys be conducted by the member movements of the ICA in the different countries of the Region, to ascertain the position of women in co-operatives and to suggest ways and means for accelerating their active participation in co-operatives, and

2. there should be women's committees at all levels to act as extension agencies of the co-operatives.

As a direct outcome of this Conference, women's committees were set up at national and other levels in several other countries (besides Japan and India), namely in Bangladesh, Indonesia, Malaysia, the Philippines and Sri Lanka. The idea of forming women's commitees,

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was to establish a network of women leaders from the grass-roots' level to the top, which could act as an extension arm of the co-operatives at all levels. In the Philippines this movement was started at the national level where a core of active women have formed a steering committee and are in the process of forming an All-Philippines Federation of Women for Co-operatives, which will have branches all over the country.

The ICA Regional Office is still in the process of trying to persuade its member organisations to undertake surveys and establish women's committees in those countries where they do not as yet exist.

IV. Why Women's Co-operatives?

We find that women in the Region tend to form their own societies with exclusive women membership - especially societies of the income-generating type. There are a number of reasons for this. Women are by nature shy. In some social circles they are used to mixing with men, but this does not apply everywhere. Thirdly, they are new to the field of co-operatives and are more vocal in their own groups rather than in male-dominated groups. Such factors hold them back from being equal partners with men in the co-operatives.

There are also some very practical reasons why women join together to form their own producer type co-operatives. These co-operatives usually carry on activities which are undertaken by women and which come naturally to them such as, for instance, preparation of foodstuffs, sewing, embroidery, knitting, etc. Another factor is that housewives can undertake work in these societies when they are free from their household tasks, so they decide the timings when they wish to work. In some cases they collect the raw materials from the society and take it home. When the work is completed and returned to the society, they are paid for their labour.

There are, of course, certain co-operatives such as handloom weavers' co-operatives, thrift and credit societies and consumers' co-operatives, where men and women are members, and now the thinking in co-operative circles is that women should be integrated into ongoing societies along with men rather than form their own separate

societies. Hence the trend is changing in this direction, and one fo the signs is that we now have more women's representation in co-operative meetings, conferences and seminars, and also at higher managements levels.

V. Conclusion

As stated earlier, women in the Region used to form their own co-operatives. These were usually small in size and tended to remain static rather than grow and flourish. Many even closed down after a short while because of a variety of problems. There are women's co-operatives which are doing well but these would be in the minority. Then there are the mixed co-operatives like thrift and credit societies, handloom weavers' societies and others, where again women would be in the minority. In the Philippines, however, the credit co-operatives have a large membership of women in the schools and universities, by virtue of the fact that there are more women teachers than men - and in this case there would, of course, be larger representation on boards, etc. than men.

If we really want to see women's successful participation in co-operatives, we must turn to Japan - where women support the policies and work of the agricultural, consumers and fisheries sectors of the Movement. In fact, member activities in the Japanese Consumers' Movement are being very successfully carried out and they are entirely in the hands of women. (A Study entitled "Member Activities in the Japanese Consumers' Co-operative Movement" has been published by the ICA Regional Office and gives details on this subject.) Although the Women's Agricultural Association Councils are not the members of the Agricultural Co-operatives, they play a very positive role in supporting the policies and programmes of the agricultural co-operatives. The agricultural co-operatives, in turn, recognise their valuable contribution and assist them in every possible way.

We would like to visualise the extent and quality of women's contribution to the Co-operative Movement in 20 years' time. This is not easy to do, as it will go hand in hand with national development and numerous other factors affecting the different

countries in the World. It will also keep pace with developments in the Co-operative Movement itself - but one thing is certain - if the Co-operative Movements in the different countries of the Region are to expand and grow in strength, the active involvement of women, who form roughly half the population - is a must.

Keeping in view the overall aim of the Co-operative Movement, namely to help its members to attain a better standard ov living, we should realise that co-operatives cater not only for individuals, but for whole families and communities, which make up nations.

If women are to be drawn into the mainstream of co-operative activity, they must be fitted for the part through information, education and training. They can certainly make valuable contributions in the field of agricultural, consumers' thrift and credit, housing and other co-operatives - all of which are aimed at improving living conditions through self-help and mutual help. As members and office-bearers from the grass-roots level to the policy-making level - and as responsible employees of the co-operatives - women can play an equal role with men, given the same opportunities. For specific matters pertaining to the home, such as improvement of kitchens, balanced diet, joint buying, household economy, child care etc.,women's groups can be formed within the co-operatives to help them to improve their home life.

All this will mean membership in co-operatives along with men; equal opportunities for participation in different sectors of the movement; attendance at general assemblies and other meetings where co-operative policies, programmes and implementation are discussed; education and training in specific areas, and all other facilities to build them into the existing membership - which is the foundation of a strong co-operative movement. The idea of enrolling women as members is not merely to swell membership in co-operatives, but to find a definite role for women to play in improving levels of nutrition, health, child care and the many things which go into bringing about a better standard of living through co-operative activities.

At present, the newly formed women's committees are functioning to a limited extent because they suffer from lack of finances, accommodation, staff, contacts with other co-operatives etc. In fact, all they have is the will to serve - and that they do largely at their own cost and in their own time as, apart from India, there are no full-time paid workers to look after women's affairs in the voluntary movements. The committees need to have a legal entity and full support from the national co-operative movements if they are to function effectively.

School and university co-operatives can be an important training ground for future co-operators, and produce a blend of young men and women who can provide professional services to the co-operatives.

All over the world the cost of living is rising. Food, shelter and clothing are still people's main needs - and in the developing countries even the minimum requirements are beyond the reach of many. Peace is also becoming one of the most sought after values in life. Women can do much to ease these ills - and, I repeat, if they are given the necessary grounding and if their talents are properly harnessed and channelled in the right directions, in twenty years' time we should see a stronger World Co-operative Movement without boundaries.

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WOMEN'S INVOLVEMENT IN CO-OPERATIVES IN DEVELOPING COUNTRIES

THE CASE FOR EAST AND CENTRAL AFRICA

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WOMEN'S INVOLVEMENT IN CO-OPERATIVES IN DEVELOPING COUNTRIES

THE CASE FOR EAST AND CENTRAL AFRICA

More than fifty percent of the world population are women. In Africa, more than eighty percent of the population live in the rural areas. It therefore follows that the majority of those who live in the rural areas are women.

In the slow development and sometimes stagnancy or retrogression in rural areas, women have a greater share of the burden of keeping life going. Life of most rural African women is one where a woman is busy from dawn to dusk. The day of most rural women is monotonous and tiring. The rural woman mostly spends her day as follows (though the order of tasks performed may vary):

She has to be up very early in the morning, even before the sun is up. With a child on her back, she has to prepare something to eat for the family. She then takes the hoe and goes to the field, usually continues up to the afternoon, when she goes back home with a load of firewood on her head. In cases where there are big daughters in the house, they usually help their mother with fetching water and preparing the evening meal.

In most rural homes, the man does not take part in house-keeping, nor taking care of the children. In the contrary, he has to be taken care of in terms of food, hot water for baths, etc.

It is very difficult to measure the amount of labour that women put into domestic work. This is because this work is not "productive" in the economic sense, since the greater parts of it are services and not concrete products. It is only her work in the field that can be measured more accurately.

In most African traditions, it is the men who own land, though women also take part in farming alongside their menfolk. With the introduction of cash crops in most African countries, men took control of it. Women mainly took control of food crops for subsistence, e.g. bananas, peas, etc.

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With the introduction of agricultural marketing co-operatives, during the colonial period, it was men who mostly became members, since initially co-operatives dealt mainly with export crops. In the case of Kenya and Tanzania, one had to be a bonafide farmer in order to be a member of the agricultural marketing co-operatives. Customary laws regarding inheritance favoured males more than females. It was only in a very few exceptional cases that girls inherited land.

Although it was men who were mainly members of these societies, women did take part in production. In many cases it was the women who carried the produce on their heads to primary societies. However, this did not give them any rights to membership. The men attended the meetings, voted and were the ones to be elected for office in these societies.

The situation seemed to be different in Zambia and Botswana, where women in the agricultural marketing co-operatives were members from the very beginning. This was due to the socio-economic set-up in these particular countries. In both Zambia and Botswana there was a high degree of migrant labour system affecting men mostly. Most men were travelling to South Africa and Zimbabwe (formerly Rhodesia) to work in the mines. It meant that for most part of the year only women and children were left behind.This forced women to take up farming, both for cash crops and subsistence, to maintain the family. It also meant that women became members of agricultural marketing co-operatives quite early. They became active members of their societies since it was them who attended meetings and who were voted in as committee members, chairmen, etc.

Independence period and the position of women in economic activities

With political independence attained in most African countries, beginning in Ghana in 1957, changes in policies as regards the woman's place in national development also emerged. Women played a big role in giving support and actively participating in the struggle for national independence. Governments started to encourage the formation of national women's organisations in these countries.

Initially, there were women's organisations, but on a small scale and only for certain classes of people, e.g. wives of teachers and government officers. These groups initially started as sewing groups, cookery classes, etc. It was these groups which finally led the way to the formation of national or semi-national organisations. Thus, in the countries of the Region too, these organisations were formed.

In the 1960s these women's organisations began encouraging their womenfolk in taking an active part in economic activities. Women were encouraged to start different businesses, such as hotels, restaurants, shops, bars, etc. Since these economic groups did not, for the most part, have any co-operative backing they were not functioning on a co-operative basis, but were running under the umbrella of the women's organisations.

Let me point out here that in the urban areas, co-operatives in the form of consumer societies were also appearing as were the savings and credit societies. Although there were no restrictions in these as regards women's participation, most women still preferred to join the women-oriented economic activities, which were managed by women. This also meant that very few women were members of co-operative societies.

Since any economic undertaking cannot flourish without education and training, the ICA Regional Office with its role of educating and training co-operators, saw a need of also concentrating some of its efforts on women. Thus, in the early 1970s seminars (national) were held, mainly for women leaders from the three countries of the Region, i.e. Kenya, Tanzania and Uganda. The aim was to expose them to co-operative ideas, with an aim of making them aware of the importance of having co-operative economic groups rather than just women's economic groups. The result was worth the effort. Countries such as Tanzania established a women's section within the Co-operative College, which was specifically dealing with co-operative education for women. The women's section arranged its programmes and went down to grassroots level to educate rural people on the importance of being involved in co-operative economic activities. Rural women were exposed to the role of co-operatives, i.e. what they

dealt with. what role members played, etc. Many began to realise that they were being left out of an organisation in which they could participate productively.

In other countries of the Region (Kenya, Uganda and Zambia) women training officers, at both the apex organisation and the provincial levels, were employed, especially where there were strong unions. The ICA Regional Office emphasised the role that women training officers could play in encouraging women to take an active part in co-operatives.

The ICA Regional Office co-ordinated these programmes through its Training Officer. Seminars which mainly aimed at training the trainers were organised. In their turn, those who had benefitted from this training were asked to disseminate the ideas to others at grassroots level.

Thus, education resulted in more participation of women in co-operatives. A number of economic groups which had already been in existence since the 1960s,but which were collapsing, were being revived. Leaders of societies were being informed of their roles. Although it is true that not many women could be reached, due to limited resources, the few that were reached began to come up in a very positive way.

Today, one can say that more women are involved or are members of co-operatives than before. It is a common sight to see consumer co-operative shops being run by women only. Such activities as handicrafts, milk kiosks, tailoring shops, etc, which are run by women, are numerous.

Recently, there have been some questions with regards to the encouragement of exclusive women's co-operative societies. One of the co-operative principles is open membership. Therefore, the question arises: Why are there co-operatives just for women? This is a big question and one which has been raised in different discussions and meetings.

The situation today in the Region is that there are some co-operatives which are being run exclusively by women, while

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there are others where women form a small part of a large co-operative society. The Kalola Multipurpose Co-operative Society in Zambia is a good example of such a society. Within the society there is a group of women who keep poultry and pigs and are involved in farming within the co-operative society as a whole. This means that they are not working separately from the large co-operative society. This is a very good situation, as women get a lot of assistance from the society, e.g. fertiliser, chicken feed, transport for their live-stock, etc. These women tend to get more support from men since they feel they are part of them.

In a situation where women have their own co-operative society, they face many problems, one of them being competition from other o-operatives and private businesses. Sometimes, due to the wrong kind of information, women start a lot of businesses which tend to be on a small scale. Working under these conditions can mean "suicide" to their business. As a small group, for instance, it is not easy to get credit from banks and the turnover is so small that there is very little to pay to the members at the end of the year.

In Botswana, apart from agricultural co-operatives, many women are also members of consumer co-operatives. The situation there is very encouraging as women are not only members but leaders too. It is very common to find an equal number of representation in a committee of men and women, and many times, the women are actually chairmen. One of the big problems which they face is providing education for members. Due to limited resources, education has not penetrated to the grassroots or to the members. Thus, one finds a situation where many members are women but, unfortunately, without understanding what their role or their rights are, etc.

There are certain activities where one finds women's participation is higher, and this may result in exclusive women's co-operatives. This is the case especially in handicraft societies and other similar types of specialised co-operatives.

Handicraft societies have not been doing very well as they are confronted with a number of problems. Although in the whole Region a lot of women are involved in the production of handicrafts, they

constantly face frustrations. The most common problem is marketing; there is competition from larger industries, producing similar commodities. Though some women's organisations, such as the "Maendeleo ya Wanawake" in Kenya, have tried to collect these products from the rural areas and sell them they have not been very successful. Face with transport problems, they cannot cover large areas. As a result, middlemen take advantage of this. They go to the rural areas and buy from these women very cheaply, since these women prefer to sell the goods off rather than risk wasting their input. These middlemen then go to town and sell them at high prices to tourists, especially in Nairobi.

In Uganda, there is a big handicraft society managed by women. They also face the problem of marketing. The society is called "Tusitukirewamu Handicraft Co-operative Union".

While women are encouraged to become involved in small-scale industries, there is a need to look into existing problems first to see how best they can be solved before embarking on new ventures. I think that one of the first areas which has to be thoroughly investigated is the opportunity for marketing. As women women who produce handicraft items do not have direct access to market outlets it is important that the organisations they depend on for marketing have links outside the countries in which they are operating. In Tanzania there is a good system where "HANDICOOP" is the body wich deals with marketing products locally and internationally. Thus handicraft products are sent to "HANDICOOP" and they look for markets.

It is important to find out also whether it is true that there are no markets or whether markets are just not known. Once markets are found, it is important to see to it that there is sufficient and regular supply of the products. Many times, only a few items are produced, whereas outside markets usually require bulk supplies. If this is not looked into, we may come to the ironic situation where markets are found but production is too low, i.e. the demand is higher than the supply. This can mean the loss of marketing outlets so carefully secured.

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Women's participation in Co-operatives in the Year 2000

The year 2000 is only 20 years from now. As far as development is concerned it is a very short period. Although it is rather difficult to look ahead and predict what will happen in 20 years' time, once can presume certain things will take place by looking at the present trend.

We should expect more active participation of women in co-operatives in the year 2000. I am saying this because the present trend shows great enthusiasm among women so far as co-operative and government leadership is concerned. Furthermore, the attitude that most men had towards women are now slowly dying away, especially as husbands realise that when their wives are engaged in co-operatives, they are helping the family as a whole.

As rural women spend a lot of their time taking care of the home and children, and thus have little time for other income generating activities, co-operatives in collaboration with women's national apex organisations should greatly stress the setting up of day care centres. Already, there are many day care centres being set up through the initiative of women's organisations.

However, these organisations need help in order to set up and run these centres. Co-operative societies should be able to offer part of this help, if women are to be relieved from some of their daily duties in order to take an active part in co-operatives.

The year 2000 should see large co-operatives with a membership of both men and women. I think small co-operatives will be defeated, especially because of big companies and economic organisations springing up. If they are to survive competition, they must become strong economic groups. There may be a few exclusive women's co-operatives here and there in specialised areas, but these will have to be amalgamated to form bigger units too. Many women's groups need material support to develop. If many of these spring up in isolated cases, then we shall need a lot of reserves. This thus calls for bigger units so that reserves could be used meaningfully.

Since these women would be involved in income generating activities, more women should be found as members of savings and credit societies. The situation now is that it is mainly urban working women who are members of these savings and credit societies.

One big problem which developing countries face is unemployment. It is usually easy for some politicians to say that one cannot be unemployed since there is plenty of land. I think that our rural areas are so underdeveloped, as the tools used are outdated, resulting in very low production. This means that a woman who works on land in Africa from dawn to dusk produces so little compared to the work done on land in highly mechanised areas.

Co-operatives and creation of employment for women

Looking at co-operatives broadly, they should be able to bring about some changes in the community. However, governments should also be sympathetic to co-operatives or should be co-operative-oriented if real success is to come.

Gone are the days when co-operatives were seen as a single-purpose unit, dealing with one activity only. In developing countries there is a greater need to have multi-purpose co-operatives which can also help change the environment. For example, co-operatives should organise people into digging water wells, building day-care centres, etc. Such activities can further the success of co-operatives. Due to the fact that development has been mainly concentrated in the urban areas, there is a great exodus of young people from rural areas. Youths, finishing primary schools, with no employment facilities and with a tedious type of agricultural work with inadequate tools, prefer going to towns to look for a job. However, once they are there, they find it difficult to find employment.

It is important that co-operatives try to cater for young people also. If this exodus is to be stopped, it is necessary to create employment in the rural areas through rural industrialisation. Industrial co-operatives should not only be emphasised in urban areas, but in rural areas also. In fact, this is where they are now needed most.

Conclusion

We find that more and more women now see the importance of being members of co-operatives. Women's organisations throughout the Region also realise the importance of identifying themselves with co-operatives. On their part, women's co-operative societies and women leaders should to a greater extent work in collaboration with women's organisations, with the aim of changing them into co-operative-oriented organisations.

Established co-operative societies in the Region should also consciously try to give as much support as possible to women co-operators. The aim should be to have women sub-committees within existing co-operative societies and unions. This will give women a greater voice and a chance to be active participants.

So far as education and training are concerned, this should be intensified with the aim of developing women wholly. Co-operatives should not work in isolation. Co-operative training officers should work in collaboration with other agencies which are concerned with women's education, e.g. those dealing with health, nutrition, family planning, etc.

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