

LAND TENURE CENTER
MADISON, WIS.

**AGRICULTURAL CO-OPERATIVES IN THE SOUTHERN DISTRICT
COMMUNAL FIRST DEVELOPMENT AREA**

by

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**APPLIED RESEARCH UNIT
MINISTRY OF LOCAL GOVERNMENT AND LANDS**

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Local Institutions Research Reports

- A. Sutherland. Report on Land Tenure in Western Ngamiland's First Communal First Development Area.
- C. Brown, V. Bontsi, K. Gogotswang, K. Kgabi, T. Selato. A Study of Local Institutions in Kgatleng District, Botswana.
- A. Manzardo. Planning for Local Institutions Development in the CFDA's of Botswana.
- A. Rude, G. Gofamodimo, D. Keebine, O. Mabusa, W. Raditloaneng, G. Sereboto. Report on Local Institutions in Five Villages in the Southern District Communal First Development Area.
- G. Childers, J. Stanley, R. Morgan. A Study of Local Institutions in the Ngamiland Area.

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The opinions expressed in this report are those of the author. They do not necessarily reflect those of the Land Tenure Center, USAID, or the Government of Botswana.

Andrew Rude
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Abbreviations

AD	Agricultural Demonstrator
BCB	Botswana Co-operative Bank
BCU	Botswana Co-operative Union
BMC	Botswana Meat Commission
CODEC	Co-operative Development Centre
DAO	District Agricultural Officer
DOC	Department of Co-operatives



NORTH



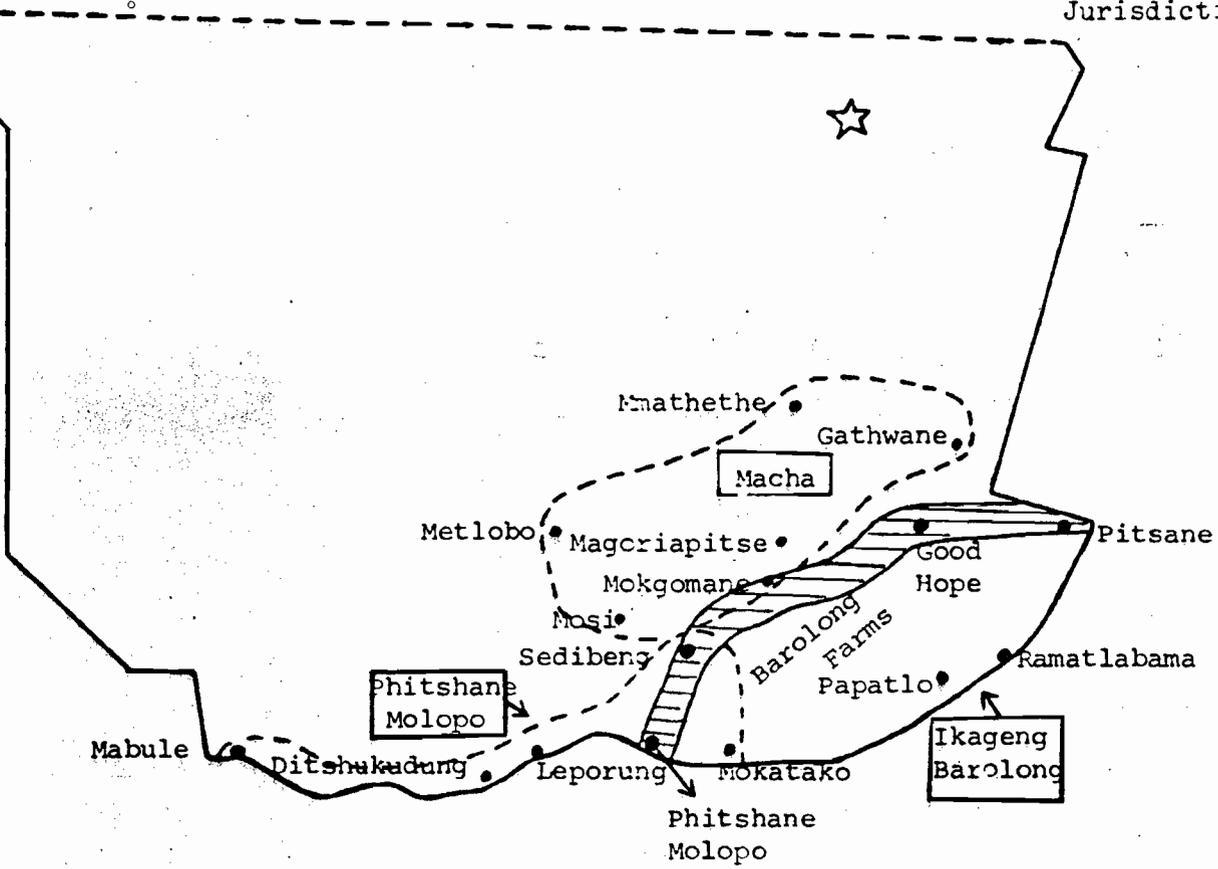
SCALE (Km.)

SOUTHERN DISTRICT
SOUTH-EAST PORTION



- - - - Boundaries of Cooperatives' Jurisdictions

REPUBLIC OF SOUTH AFRICA



VIII

Executive Summary

This paper analyzes three co-operative societies in the Southern District Communal First Development Area (CFDA).

Findings

Membership. Membership in the co-operatives is drawn from those usually practicing commercial agriculture who tend to own draught power and agricultural implements. They place greater relative importance on arable agriculture and livestock as sources of livelihood than do non-members who, as a rule, tend to be poorer and more dependent on non-agricultural income sources. There is a lower frequency of ploughing households and households owning implements and livestock among the non-member population.

The higher level of wealth is indicative of several other characteristics. Among these is members' tendency to be 'senior' heads of male-headed households and to have greater participation in other groups and institutions.

Committee members are the wealthiest of the three groups interviewed. They usually plough, are well endowed with agricultural capital, have a commercial orientation to their arable production, and possess relatively large herds of livestock. They are from male-headed households and had the greatest frequency of participation in other institutions.

Non-member households are more likely to have younger heads and female heads, with little or no formal education. They showed little involvement in public institutions of any sort.

Performance of Co-operatives. The performance of co-operatives is hindered by constraints both internal and external to the societies. Primary internal constraints include an inability to find and retain skilled personnel. This is to a large extent a result of not being able to pay adequate salaries. Other constraints include low levels of share capital and member deposits together with low net surpluses which limit the financial capital necessary for expansion. Externally, the rural economy of Botswana severely limits the range of activities in which co-operatives are capable of participating.

The Phitshane-Molopo Society has been operating at a loss. Profits have been generated at both Ikageng/Barolong and Macha, though the level has been erratic. The only consistent source of profits for both societies has been from services not traditionally associated with co-operatives in Botswana that are available to the general public.

Livestock Marketing. The co-operatives have not provided livestock sellers with prices substantially higher than available elsewhere. What

co-operatives have done is to increase competition in the local cattle market forcing buyers to bid up prices. Dis-incentives against co-operative livestock marketing are an awkward procedure for arranging sales, delay in payment, and a risk of possible downgrading of cattle by the BMC which is biased against those marketing through co-operatives.

The societies' cattle throughput is skewed. Though most members market only a few head annually, a small number market a large percentage of total throughput. The economic viability of livestock marketing apparently depends on the throughput of those who are in a position to market many head. They are also those in the best position to utilise alternative marketing channels. Members and Committee members often sell livestock through channels other than co-operatives. Smallstock marketing has been undertaken only by the Macha Society. The society has marketed smallstock irregularly and in small numbers.

BAMB Agent. Macha is the only society examined which markets crops as a BAMB agent. It is the single largest outlet for crop sales in its area and has probably helped farmers raise their marketable surpluses by providing a guaranteed market at nationally established prices.

Credit. Ikageng/Barolong distributes ALDEP implement 'packages' and Macha distributes both ALDEP implement 'packages' and seasonal credit. Neither society has reported problems participating in these programs. Administrative and re-payment problems may develop as credit programs expand.

Participation. There is little or no active participation in the societies on the part of the General Membership. The lack of active member participation can be largely attributed to the minimal economic gain which members receive from the co-operatives and internal communication problems.

Committee members and general members appear to have different perceptions as to their economic needs and how they may be best served by co-operatives. A lack of understanding of co-operative principles is common among both groups. This has sometimes resulted in the breach of co-operative by-laws and also limits their ability to effectively govern and participate.

Contacts with Other Institutions. Supervision from the 'apex' organisations appears adequate though they have limited capacity for expansion or improvement. Contact with agricultural extension is sporadic at best. Communications with Southern District Council have been minimal.

Recommendations

The basis of co-operative development in rural Botswana should be slow and careful progression along existing lines, including the gradual provision of new services, and efficiency improvements in the provision

of existing ones. Co-operative development in Botswana has avoided many of the failures which have confronted co-operative movements in other parts of Africa because of too rapid growth, 'top heavy' government involvement, and handling a range of services too wide for members to effectively manage.

Consolidating an Existing Role: Livestock Marketing

The critical function of all co-operatives studied is livestock marketing. Whatever new roles co-operatives should assume, this fundamental role should be consolidated. Steps should be taken to make the process of selling cattle through co-operatives less inconvenient and to reduce the time delay in payment. The policy to increase the level of advance from P30 to P100 should be implemented as soon as possible.

Societies should be encouraged to build kraals at their offices, to make the arranging of sales and the trekking of members' cattle to be assembled with other members' beasts a bit easier. To help inform members of the quotas, notices should be distributed by the societies to be displayed in the villages within their jurisdictions, indicating the availability and size of their quotas granted by the BMC. Means should be sought to increase compliance with the rule regarding the marketing of members' livestock and produce exclusively through co-operatives. Co-operatives should pay greater attention to regularising and increasing the marketing of smallstock (goats and sheep) to the BMC and perhaps other buyers.

Development of New Roles

Co-operatives should gradually but steadily evolve towards an effective multi-purpose status. New or expanded activities should include provision of grain marketing facilities, particularly as BAMB agents, and rural credit facilities, especially the Seasonal Credit Programme. When possible, marketing facilities for arable produce should be expanded, especially in conjunction with input provision from co-operative societies. These marketing facilities can, though not necessarily, be managed by co-operatives. Competition with BAMB should be avoided. The best solution would appear to be for co-operatives to act as BAMB agents.

The credit extension role of co-operatives should be enhanced. Co-operatives have more contact with the farmer population than the major alternative distributor of agricultural credit, the National Development Bank, and are especially suited for the timely provision of agricultural inputs and loan collection by its guarantee on members' crops. If small farmer credit programmes are to expand however, steps must be taken for the government to assume the risk of loan default. It should instead compensate co-operatives for their services in this respect, on a basis which will generate incentives for co-operatives to obtain member repayment, e.g. a commission on repayments obtained.

Widening the Membership Base

The primary societies have capital accumulation needs and needs for economies of scale which dictate an expansion of membership. The co-operative societies studied already draw their membership from geographical areas which are extensive enough to create serious communication problems. The means to expansion of membership do not appear to lie in expanding geographical coverage, but rather in increasing the percentage of households which are members in the present membership area.

Primary societies should be encouraged to undertake membership drives within their respective jurisdictions. Possibilities include the creation of a display by CODEC for agricultural shows and at the annual trade fair. Co-operative principles can also be included in the curriculum of the Department of Non-Formal Education and taught as part of adult literacy classes, or presented to children through 4-B activities and in the classrooms of primary schools.

Ultimately, however, membership can best be increased by providing existing services more efficiently, or by providing new services wanted by a wider segment of the population. There are obviously significant numbers of livestock holders who could be attracted to membership in the co-operative by more efficient provision of livestock marketing services. Recommendations have been made above. But there are even larger numbers of households for which this function is irrelevant because they market few or no livestock. To attract these households functions must be expanded. As suggested above, co-operatives must assume multi-purpose roles, including roles attractive to households as consumers. Whenever a co-operative embarks upon a new activity, the short run trade off between membership and net surplus should be considered. A careful calculation should be made of advantages likely to accrue (1) in terms of increased membership, if benefit from the opportunity to participate is limited to members, or (2) in terms of increased net surplus due to greater volume, if the opportunity is opened up to non-members as well. Neither approach is a priori correct in every situation, and the precise position of the particular co-operative and the nature of the new activity must be considered.

Increasing Member Participation

The case studies revealed a very low level of member participation in the societies. Co-operatives will only prosper if they are responsive to broad membership needs, and this can only be guaranteed through a higher level of member participation.

Steps should be taken to better educate Committee members and the General Membership on co-operative principles, including a greater allocation of funds and attention to the Education and Training Unit of CODEC, and in particular to its newly created Mobile Training Unit. Greater attention should be paid by CODEC to the creation and maintenance

of Education Committees within societies. CODEC should consider the development and distribution of simple information packages in Setswana designed to inform Committee members of their roles and duties. CODEC should require societies to conduct Committee meetings and general meetings as stated in co-operative by-laws. The need to publicise meetings and the channels open to do so should be emphasised. CODEC could print and distribute standardised notices to be posted in public places and standardised letters to be mailed to extension personnel, headmen, Councillors, Committee members, and the like.

Improving Co-operative Administration

While sound training is provided for managers, the experience of the three co-operatives studied suggests it is not easy for co-operatives to obtain, and retain, good managers. The Government should consider subsidisation of managers' wages. Money could be channelled through the Ministry of Agriculture for this purpose without any additional government involvement in societies' daily operations. This could potentially do much to improve societies' managerial capabilities to increase the efficiency in their present operations and allow for the delivery of additional services. Such subsidisation should however be modest, and the need for it with respect to a particular co-operative should be reviewed periodically, e.g. every five years.

Managers should not be imposed upon co-operatives by the Department of Co-operatives. Every effort should be made, in line with general policy, to develop managerial expertise from within the membership of the co-operative. This is vital to the early development of these institutions, however tempting it may be to attempt quantum jumps towards better administration by introducing outside expertise.

Co-operatives, Development, and the Role of Government

Behind many of the issues discussed above is a more fundamental question: What is the appropriate relationship between co-operatives, which are private sector institutions created and sustained with significant Government support for promotion of rural development, and Government's own direct rural development activities? There are really two facets to this question:

- 1) What support should co-operatives be getting from Government's rural development programmes and staff?, and
- 2) To what extent should Government channel its assistance to farmers through co-operatives?

Government Development Activities in Support of Co-operatives

Attitudinal changes as well as more concrete steps are required. Co-operatives must be recognised as legitimate recipients of agricultural

extension and other such assistance. Policy must be clarified to avoid the confusion sometimes encountered as to whether co-operatives are public or private sector institutions, and whether they are therefore appropriate recipients of agricultural extension and other such assistance. They are clearly private sector institutions, but are nonetheless perfectly legitimate recipients of Government assistance. (Individual farmers are part of the private sector, and remain so whether they form a partnership, or incorporate, or form a co-operative).

To this end, steps should be taken to increase the linkages between co-operatives and other institutions. High priority should be placed on increasing and regularising contact between agricultural extension services and co-operatives. Horizontal linkages between the Department of Agricultural Field Services and the Department of Co-operatives within the Ministry of Agriculture must be improved. To further co-ordinate activity and communications at the national level, a CODEC representative could participate in the Rural Extension Co-ordinating Committee (RECC). In addition, co-operatives should be represented by a member on the governing boards of BMC and BAMB.

Turning to the District level, District Agricultural Officers should be regularly invited to attend Committee meetings and regularly informed of the societies' activities and plans. District Councils can play an advisory role which could help improve the overall functioning of co-operatives within their District. First, District Officers should meet with the Committees of the co-operatives in their area to become familiar with their operations and problems. Second, Council should offer whatever assistance it can to the societies. Contacts should be encouraged between Council-affiliated extension personnel, and its Production Development Committee. Assistance should be offered and not be forced upon co-operatives. Finally, communications between the societies, the local farmers, and Council can be facilitated with information disseminated through elected Councillors, who are often co-operative members.

Channelling Government Assistance to Farmers Through Co-operatives

Co-operatives in Botswana are among the largest rural institutions, with the highest levels of membership and providing the broadest range of services in the rural economy. However, the services which they can provide and the populations they can reach are limited. Their market activities have primarily concerned the sale of cattle and commercial arable agriculture. Those who lack the resources to engage in these activities are excluded from the benefits of co-operative services. Given the present organisation and orientation of co-operatives, there is little that can be done to reach the resource poor through the co-operative structure. The poor lack resources and co-operatives are cost effective only for participants with a minimum resource endowment.

Still, co-operatives offer opportunities for access to both members and non-members which cannot, in the absence of private or public sector

institutions of similar scale in rural Botswana, be neglected. Within carefully observed limits, co-operatives can serve as channels for Government development efforts. The most significant limit is that co-operatives should not be 'used' as channels by Government. Participation in any Government programme should be solely at the option of the co-operative. Government must make co-operative offers which they find attractive and which are mutually beneficial.

Co-operatives may be used as channels either to members exclusively or to both members and non-members, but considerations differ significantly in these two situations. Where co-operatives function as channels to members only, it should be recognised as legitimate that a co-operative will generally prefer opportunities which it can channel to members only, thus enhancing the value of membership and ultimately increasing membership. Government for its part should work through co-operatives to offer opportunities exclusively to members only where such opportunities are relevant by and large to those who are members and where the co-operative can provide the most effective and economical access to its members. If these two conditions are satisfied and if the co-operative is persuaded the particular programme is sound, co-operatives should be able to participate if their costs of participation are met. Participation need not generate a significant net surplus if it enhances the value of membership by providing preferential access to a service to members.

Where co-operatives are channels to both members and non-members, Government must be satisfied that co-operatives can be an effective channel to non-members as well as members. A co-operative, if it acts in a manner which does not enhance the opportunities provided by membership, must ensure that it instead enhances the value of membership in financial terms. Therefore, participation in any such programme must offer the co-operative a substantial net surplus through access to a more profitable scale of operations and other incentives.

Because Government can benefit by seizing the opportunity to work through co-operatives within the limits set out above, Government has a vested interest in the quality of management of co-operatives. Government should, as suggested above, consider a carefully planned and non-intrusive subsidisation of co-operatives' management capabilities.

Co-operatives and the CFDA

Evidence suggests that in the short run, given the present structure of co-operatives in Botswana, co-operatives can only participate marginally in specific CFDA programmes. Most co-operatives in Botswana, including those in the Southern District, are not directly involved in productive activities in agriculture. Nor are they organised to implement small scale rural industries or labour intensive projects. They are engaged instead in providing services to the farming population. The penetration into that farming population is limited, and the resource poor, the target population in CFDA activities, cannot as producers be reached by co-operatives. If they are to be reached at all, it must be as consumers.

There are other reasons which indicate a limited role for co-operatives in CFDA activities. The co-operatives and the Southern District CFDA cover overlapping though separate geographic areas. (Co-operatives most likely cannot provide special services or implement particular programmes to one area within their jurisdictions that they cannot provide to the rest). CODEC is already constrained in the supervision of co-operatives across Botswana. It does not have the capacity to focus on co-operatives in specific regions without neglecting others. Co-operatives have their own financial security and members most at heart. This, together with existing internal and external constraints, limits their willingness and ability to engage in new programmes. Finally, Southern District Council has no direct authority over the policies of the primary societies.

CHAPTER I

INTRODUCTION

This is a report on co-operative societies in the Communal First Development Area (CFDA) of Southern District. It is part of the local institutions research programme undertaken by the Applied Research Unit of the Ministry of Local Government and Lands. This project is intended to provide information on the form and function of local institutions so as to improve their capacity to undertake community-based development activities.

The co-operative societies studied in this piece of research are: the Ikageng-Barolong Multi-purpose Co-operative Society, the Macha Multi-purpose Co-operative Society, and the Phitshane-Molopo Co-operative Marketing Society.¹ These societies are based in Good Hope, Mmathete, and Phitshane-Molopo respectively (see map, p. xiii). These societies are by far the broadest public institutions in the CFDA. Compared to any other public institution in the area, they have the largest geographic area of operation, the highest number of members, the most advanced set of infrastructural facilities, and are probably of the greatest economic significance to their members.

Purpose

This report analyses the three co-operatives in terms of history and development, socio-economic characteristics of members, recent economic and financial positions, organisational structure, and management capacity. The general socio-economic characteristics of non-members and their attitudes and perceptions towards participation in co-operatives are also examined.

There are several reasons for undertaking this research. First, previous institutional research in the CFDA focussed almost exclusively on village-based groups. Little attention was given to District-wide institutions, or those which covered several villages, such as co-operatives.

Second, the Southern District CFDA strategy calls for implementation of development activities through existing institutions. The broad-based nature of co-operatives immediately implies that they could be importantly involved in CFDA planning and project implementation. This in turn suggests the need for a better understanding of the characteristics of the co-operatives' members and the nature of the co-operatives' organisational structure. Through this research it is hoped that policy suggestions can be developed concerning appropriate roles for the co-operatives in the

District's CFDA plan. It is also hoped that suggestions are developed which may help to improve co-operatives' overall performance and operating procedures.

Methodology

The research presents three case studies. It is based on a literature review, examination of co-operatives' records, extended interviews with co-operative personnel, and interviews with numerous co-operative members and non-members. Field work was conducted between mid-December 1981 until mid-January 1982 and again from 4 April until early May 1982.²

Interviews were conducted within the geographic jurisdiction of each society for members, Committee members, and non-members. People from each of these groups were interviewed to examine possible economic and attitudinal differences between them which may affect their participation in co-operatives. Interviews were conducted with approximately 10 percent of the membership of each society, an equivalent number of non-members, and as many Committee members as time and logistics would permit. The interviews sought information on agricultural practices, ownership and sale of livestock, participation in other groups and institutions, and attitudes towards and participation in the co-operatives. In addition, information was sought on sex, age, and education of the household head and on levels of livelihood and wealth. Wealth was assessed using a Guttman Scale of Relative Wealth. The scale is based upon objects in a person's possession and physical attributes of the dwelling compound. More information on interview procedures, the questionnaires, and the Guttman Scale are included in Appendix IV.

Each of the co-operative societies examined has unique characteristics. They are operating and have developed within specific micro-economies, are run by different individuals, and incorporate different ethnic and tribal groups. Because only three societies were examined there were limitations to the extent to which the analysis as well as policy recommendations could be generalised to other co-operatives in the Southern District or elsewhere in Botswana. As a result, generalisations and recommendations are somewhat speculative and limited and are made only where they are thought justified.

CHAPTER II

OVERVIEW OF THE STRUCTURE OF CO-OPERATIVES IN BOTSWANA

This section describes the historical development of co-operatives in Botswana, their internal structure as established in co-operative by-laws, the national 'apex' organisations, and their overall economic performance. It provides background information on the operations and present state of co-operatives in general to gain perspective on the problems and potentials of the three societies under investigation.³

The Historical Development of Co-operatives in Botswana

The development of co-operatives in Botswana, "has been associated with the growth of indigenous economic interests in the capitalist sector, rather than with the consolidation of the production base in the non-monetary, subsistence economy".⁴ In particular, co-operatives have grown in association with the rapid growth in Botswana's export-oriented beef cattle industry and the localisation of internal marketing channels. Government has generally maintained a hands-off approach to co-operative development and has made few attempts to work with or through co-operatives in specific development efforts. "The co-operatives have remained an accurate reflection of the limited market orientation of the Botswana agricultural economy and have not as yet been associated with efforts to increase production or capitalisation in that sector or any other".⁵ The co-operative movement has much autonomy in policy matters and generally considers itself part of the private sector. The limited involvement of co-operatives in development programming and implementation has been cited as a reason for the low incidence of bankruptcies of societies. It is also thought to have limited the movement's main functions to the marketing of livestock and the retailing of consumer goods.⁶

There were several precursors to Botswana's present co-operative movement, which began in the early 1960's. The first was a Proclamation issued in 1911 by the British High Commission of Bechuanaland. The Proclamation stated that the High Commission would 'look with favour' on the establishment of co-operatives. At that time however, no one was in a position to follow up this suggestion. In addition, the Proclamation did not spell out the conditions or qualifications to which societies should conform.⁷ Small-scale co-operative dairy enterprises were organised with the assistance of the Agriculture Ministry in several locations in the late 1930's and early 1940's.⁸

The current co-operative movement in Botswana developed as a result of a consensus between Tswana Tribal Authorities and the colonial government in the early 1960's. The Tswana Tribal Authorities recognised the economic potential of the co-operative form of organisation and saw it

as an aid to the 'localisation' of the private sector, which the colonial government also saw as a necessity. As a result a Co-operative Societies Law was introduced in 1962, along with the provision for a Department of Co-operative Societies in the 1963/66 Development Plan and the recruitment of a Registrar and staff officers.

The initial policies of the Co-operatives Department emphasised crop marketing and agricultural supply societies in the southern part of Bechuanaland (i.e. the Barolong, Kanye, and Bamalete areas), where grain surpluses were generally the largest and where agricultural extension work the most concentrated. This was done to further commercialise agriculture by providing market alternatives for agricultural produce because it was thought that crop marketing societies in those particular areas of the country held out the best prospect for early success.

Soon afterwards, several factors began to alter this approach. According to Morgan, co-operative officials came to see that an emphasis on grain marketing was risky and provided little scope for expansion. Extensive crop failures from 1960 to 1965 made the risks involved to co-operatives in heavy reliance on grain marketing apparent. It also came to be seen that with an emphasis on grain marketing, co-operatives would be limited to those areas of the country with a regular and marketable grain surplus. A national co-operative movement needed a wider base. Greater potential for expansion was indicated by the importance of cattle in the rural economy, the expanding beef export trade, and largely foreign control of rural retail trading.⁹

These factors changed the thinking of co-operative officials. However, the primary impetus for turning from grain to cattle marketing came from co-operative members. They sought higher prices for their cattle at the Lobatse abattoir than that offered by traders, dealers, or at auctions by selling directly to the BMC. This was the main factor that induced the Co-operative Department to change its emphasis.¹⁰

By 1965, this change had been fully implemented. The new attitude towards co-operative development was based on several new principles. Again according to Morgan, these principles were:

1. An emphasis on 'balanced' development both in terms of the co-operatives' activities and their geographic distribution.
2. Co-operatives were encouraged to develop in areas of low risk and high profitability.
3. The movement would also concentrate on growth points in the trading economy and seek to accumulate its own capital from surpluses generated within the movement rather than seeking government and other outside loans.
4. Co-operatives' efforts would be backed up by continuing education, training, and supervision activities of the Department.¹¹

These policies formed the guidelines for national co-operative policy and have since been closely followed.

The Internal Structure of Co-operative Societies

A co-operative is a relatively simple organisation. It is private, owned and controlled by its members, and seeks to promote individual economic interests through co-operative action. It is a business in the sense that it must cover costs and generate surpluses to continue providing services to members and to expand. It differs from other types of business in its form of member ownership and control, its means of raising capital, and its distribution of surpluses. However, if it does not succeed as a business it cannot succeed in serving the economic interests of its members.

According to co-operative by-laws, the control of a society is exercised by four bodies: the General Membership (the members of the co-operative), the Committee, the Manager, and the President or Chairman. In theory ultimate control of the society is vested in the General Membership in the sense that it has the power to change the constitution of a society and can elect and dismiss the Committee. The General Membership also has the power to decide on the disposal of the society's surplus, to develop plans for the society, and to amend its by-laws. These matters are decided upon at general meetings of the entire membership which are supposed to be held at least once a year. Decisions are reached by a majority vote of the membership. Each member has one vote.

The Committee has responsibility for deciding all matters relating to the society except those specifically reserved for the General Membership. The Committee usually consists of between 7-9 people, with approximately half subject to annual election by the General Membership. The other Committee members are supposed to come up for election the following year. This is intended to ensure continuity of leadership in having Committee members serve for two consecutive years and also to ensure change of leadership in having half the members subject to annual elections.

The President or Chairman is elected by the Committee. This person is responsible for chairing the Committee's monthly meetings.

The Committee has the power to employ and dismiss employees, including the Manager. The Manager is in charge of the daily operations of the society. Employees report to the Manager, who in turn is responsible to the Committee.

Sources of Financial Capital

The initial and primary source of capital is the sale of shares to members. Every member is required to purchase at least one share upon joining and at least nine shares within two years. The maximum shareholding of a member is one fifth of a society's total shares at any one time. This is intended to prevent any one person from dominating a society by reason of high shareholding. Co-operatives can issue an undetermined number of shares at a fixed value.

A society's second source of revenue is the net surplus generated by its services.* The net surplus belongs to the General Membership and its disposal is at their discretion (subject to co-operative principles and laws). Out of the net surplus a dividend is supposed to be paid to members in proportion to their ownership of capital shares. At least 25 percent of the net surplus has to be allocated to a Reserve Fund for future expansion of the society and to protect against losses. The remainder is usually distributed as a bonus to members, most often in proportion to their transactions with the society.

Societies are also supposed to provide a banking service to members, encouraging them to make cash deposits. Members receive an interest payment on their deposits which build up the co-operative's financial reserves.

Finally, societies have access to credit at commercial interest rates from the Botswana Co-operative Bank.

National Apex Structure

All of the primary societies are affiliated with three 'apex' organisations: the Department of Co-operatives (DOC) and the Co-operative Development Centre (CODEC), the Botswana Co-operative Union (BCU), and the Botswana Co-operative Bank (BCB).

Department of Co-operatives and the Co-operative Development Centre. The Department of Co-operatives is part of the Ministry of Agriculture and is now located at Sebele. It was established in 1964 to advise and assist in the formation and functioning of co-operative societies. CODEC was established at Sebele with infrastructure funding from the Swedish International Development Authority. Although originally envisioned as distinct from the Department, CODEC and the DOC now have a unified structure and share supervisory and educational functions.

CODEC is divided into four sections: Marketing, Credit and Banking, Training and Education, and Audit. The first three sections are meant to provide primary societies with education, supervision, and advice in their respective fields. They are required to make visits to each society at least once a year. The Audit section examines the financial position of each primary society twice a year, submits an annual audit report, and presents its suggestions for improved operations of the societies.

Botswana Co-operative Union. The Botswana Co-operative Union was established to facilitate the operations of affiliated societies. It has two primary functions:

1. The BCU acts as a wholesale supplier to consumer shops and, to a limited extent, supplies agricultural inputs to marketing societies.

* Net surplus has the same meaning as net profit.

2. It represents the interests of marketing societies in dealings with the BMC through its offices in Lobatse and has transport, promotion, and insurance divisions at its headquarters in Gaborone.

Botswana Co-operative Bank. The BCB was established to provide banking services to the affiliated societies. Societies are encouraged to deposit part of their surpluses with the BCB which in turn extends credit to other societies to reduce dependence on finance from 'outside' sources.

Economic Performance of Co-operatives

The co-operative movement in Botswana has grown rapidly since its inception in 1964. This growth has been associated with the rapid development of the Botswana economy as a whole. This has been largely due to growth in the livestock and wholesale and retail sectors, investment in marketing and infrastructure, and securing access to the high-price European Economic Community beef market. In 1980 there were 68 societies. Of these, 62 are primarily concerned with cattle marketing, with the remaining 6 involved with fishing, horticulture, handicrafts, or dairying. Twelve are classified as multi-purpose societies, that also retail consumer goods and foodstuffs.

TABLE 1.

Society Membership and Gross Sales

YEAR	SOCIETY MEMBERSHIP	% ANNUAL INCREASE IN MEMBERSHIP	SALES (P'000)	% ANNUAL INCREASE IN SALES
1970	3,145	13.8	462	29.4
1971	3,142	0	493	6.8
1972	3,492	11.1	1,047	112.1
1973	5,604	60.4	2,592	147.4
1974	7,821	39.5	3,220	24.2
1975	10,001	27.8	4,506	39.2
1976	12,050	20.4	5,833	29.4
1977	13,443	11.5	6,260	7.3

SOURCE: Morgan, "Livestock Marketing Co-operatives in Botswana's Growth Economy" (1981), p. 90.

Table 1 illustrates the growth in total membership and gross sales for all societies in the nation.

Slightly over half of the societies have fewer than 200 members while approximately 61 percent have sales of less than P100,000 annually.¹² Membership is thought to be characterised by cattle ownership averaging 35-45 head with an average of 3 to 4 head of cattle sold annually per member.¹³

Livestock sales have generally accounted for 85 percent of co-operatives' total sales. In recent years however, there has been more diversification. In 1970, non-livestock sales composed 8 percent of total sales and they reached 26 percent by 1979. These sales are composed largely of farm tools and equipment, building materials, consumer goods, and crop sales to the Botswana Agricultural Marketing Board (BAMB).¹⁴ This trend will probably continue as Botswana's agricultural economy modernises, as an increasing number of co-operatives act as agents for BAMB, and as the consumer wing of the movement enlarges.

The following table illustrates the changes in gross sales of livestock to the BMC from the primary societies. The rise in co-operatives' sales has been mainly due to increasing membership rather than higher sales per member.¹⁵

TABLE 2

Cattle Supplied to BMC by Co-operatives

YEAR	ABATTOIR THROUGHPUT (1,000 head)	PERCENTAGE SUPPLIED BY CO-OPERATIVES
1973	209	10
1974	186	12
1975	188	15
1976	212	16
1977	197	18
1978	149	16
1979	229	15
1980	141	15

SOURCE: Morgan, "Livestock Marketing Co-operatives in Botswana's Growth Economy" (1981), p. 89.

CHAPTER III

THE IKAGENG/BAROLONG MULTI-PURPOSE CO-OPERATIVE SOCIETY

Formation

The Ikageng/Barolong Multi-purpose Co-operative Society was registered as a marketing society in 1975. Its registration followed a long organisational process and the rise and fall of two earlier co-operative ventures in the Barolong Farms.

Among the first societies in Botswana were two established in the villages of Ga-mokoto and Papatlo in the Barolong Farms.¹⁶ The first steps to organise both societies were started around 1964 under the impetus of the Department of Co-operatives, with assistance from local agricultural extension personnel and several of the area's more prosperous commercial farmers.

Initial enthusiasm among villagers was high. They saw the co-operatives as an alternative to local traders for the sale of arable produce. Within two years, both societies were registered. Membership was drawn from nearby villages involving a small portion of the total Barolong population. The Ga-mokoto Society was said to have over 50 members and the Papatlo Society over 100. Wide variation existed among participants' income levels, while Committees tended to be composed of wealthier farmers.¹⁷

These early attempts by the DOC to establish co-operatives in the Barolong Farms met with little success. The Papatlo Society operated until 1968. The Ga-mokoto Society never became functional. There are several reasons for this lack of success. First, as earlier discussed, societies based on grain marketing are inherently unstable due to the variable climate and rainfall positions in Botswana. Years of bad rainfall, with poor arable yields, can financially hurt a society heavily dependent on grain marketing, as occurred with the Papatlo Society. Second, Committee members were prone to mis-management and corruption. This latter reason was the final and most publicly visible cause of both co-operatives' demise. As noted by Comaroff, "The circumstances vary in each case, but they all broke up amidst accusations made by the ordinary members against their wealthier colleagues, who usually held the offices, to the effect that they had illegally appropriated the assets of the organisation".¹⁸

It was not until 1973 that attempts were made to re-organise a co-operative in the Barolong Farms. This time, the initiative came from among the Barolong. This attempt was spearheaded by several of the area's most prosperous farmers and Barolong Tribal Authorities who had little or no involvement with the previous societies. These people later continued to act as the society's key members and to retain its elected positions.

As in the previous cases, it took two years of extended consultation between founding members and the public to establish Ikageng/Barolong. Kgotla meetings were held throughout the area where the founding members explained co-operative principles and urged participation. CODEC representatives served only as advisors to the founding members.

As a consequence of the past failure of co-operatives in the area, people were reluctant to become involved again. This is especially true in the immediate vicinity of Ga-mokoto and Papatlo where few people are members of the co-operative today. Nonetheless, through extensive consultation and explanation, the Ikageng/Barolong Co-operative Marketing Society registered with the Department of Co-operatives in 1975.

Ikageng/Barolong was established primarily to market both arable produce and livestock. Supplementary services were the sale of agricultural and livestock inputs and the provision of bags for grain. Since registration, the society has provided transport for the marketing of grain, a system of providing credit in kind (though contrary to the society's by-laws), the sale of petrol and diesel fuel, the distribution of ALDEP implement packages, and, with the recent change to multipurpose status, the opening of a consumer shop in Pitsane. For reasons now to be discussed, grain marketing, the sale of agricultural inputs, and the provision of credit have been discontinued.

Grain marketing was a primary reason for the start of the society. In this regard however, the organisation actually did little. Members would deliver their own produce to buyers, usually to co-operatives in South Africa--one immediately across the border from Ramatlabama and another in Zeerust, or else to a wholesaler in Lobatse. Members were then supposed to give 5 percent of the value of their crop to the society. Few people actually made this payment despite the pleas of the Committee because the society provided no actual marketing assistance. After several years, the pretence of the society's marketing grain was abandoned.

In 1978, an attempt was made to provide transport to bring members' arable produce to the BAMB depot in Pitsane. Local transport was hired by the co-operative which collected grain at several locations in the Barolong Farms. This service was used by relatively few people, most of whom were said to have been 'big farmers' within the Barolong. This practice was abandoned after two years because the cost of hiring transport was prohibitive. It exceeded the allowable maximum of a 5 percent surcharge on the value of the transported crop and was thus a financial loss.

Contrary to co-operative by-laws, the society provided credit, in the form of livestock and arable inputs and empty bags for grain. The credit or cost of bags, plus a 1 percent interest charge, was deducted from the sale of members' produce. This practice began in the mid-1970's and continued for two agricultural seasons. It was abandoned after the society encountered difficulties collecting payments.

As illustrated by Table 15, the sale of arable inputs, especially fertiliser was at one time a major component of the society's sales. The major reason for its discontinuation was the establishment in 1978 of the

BAMB depot in Pitsane, about 17 km east of the co-operative's Good Hope office. With the start of BAMB, a parastatal organisation, with Government under-writing much of BAMB's expense, the co-operative was put at a competitive disadvantage in supplying these inputs.

Overview of Membership

Official membership in Ikageng/Barolong was 277 in 1981. Membership is drawn from all 'villages' within the Barolong Farms, except for Mokatoko and neighbouring villages, which fall under the jurisdiction of the Phitshane-Molopo Society.

Membership has generally been rising, as indicated by Table 3. Over 150 members joined the society when it was established. No membership drives have been conducted since then. Most have joined the society through word-of-mouth communications from relatives and near-by villagers.

TABLE 3

Membership in Ikageng/Barolong Co-operative Society, 1978-1981

YEAR	MEMBERSHIP	ANNUAL GROWTH RATE (%)
1978	192	-
1979	218	7.4
1980	270	23.8
1981	277	2.6

SOURCE: 1980, 1981 CODEC Audit Reports.

Households Within Society's Jurisdiction

Table 4 presents estimations of the percentage of total households, farm households, and households owning cattle who are members of the co-operative and resident within its jurisdiction. Within the co-operative's jurisdiction, there are an estimated 2,523 households. Among these, estimates of farm households range from 1,263 up to 1,984. Based on 1980

TABLE 4

Number of Households in Jurisdiction of the Ikageng/Barolong Co-operative Society and Percentage Holding Membership

POPULATION NAME	NO. HOUSEHOLDS IN BAROLONG FARMS	NO. HOUSEHOLDS IN BAROLONG FARMS MINUS THOSE NEAR MOKATAKO*	PERCENTAGE HOUSEHOLDS (MINUS MOKATAKO) MEMBERS OF IKAGENG/ BAROLONG
Total population ¹	2,797	2,523	11
Farm A households ²	1,400-1,500	1,263-1,353	20-21
Farm B households ³	2,200	1,984	14
Households owning livestock ⁴	1,790	1,614	16

SOURCES: 1) Calculated based on 1981 Census Map where each dwelling compound was assumed to be a household. Each household was assumed to have an average of 5.9 members (see Staps, 1981, p. 12).

2) Farm Population A is from the 1979/80 Agricultural Survey.

3) Farm Population B is based on records from Agricultural Demonstrators.

4) This figure was calculated based on 1980 Botswana Agricultural Statistics, which estimated that 64 percent of Barolong households owned cattle and that an estimated 96 percent of members interviewed owned cattle. Total households in this area were calculated from the 1981 Census Map based on the number of compounds in the villages of Mokatako, Mothaba-wagaketana, Mothethua, Malelao, Molete, and Lotlhaje. The number of households was estimated to be 274 or 10 percent of the total estimated households in the Barolong Farms. It was further assumed that 10 percent of the Barolong Farm and livestock-owning households were from this area as well.

* People residing in the area near Mokatako fall under the jurisdiction of the Phitshane-Molopo Society.

Botswana Agricultural Statistics, there are an estimated 1,614 households owning cattle. Assuming one member per households, approximately 11 percent of the area's total households, close to 14 percent or between 20 percent to 21 percent of farm households, and 16 percent of households owning cattle are members.

Sex of Members/Household Heads

Membership is heavily male. In 1981, there were 221 male and 49 female members. Of the 49 female members, 20 were reported to be married and living in male-headed households. The remaining 29, or about 11 percent of the society's total membership, are composed of single women. The remaining 89 percent of the members are male and presumably act as household heads.

Age of Household Head

Close to 75 percent of member households have a head over 50 years of age. This contrasts with 38 percent exhibited by non-members. Only 4 of 7 Committee members interviewed fell into this category (see Table 6).

Levels of Education

Taken as a whole, members are much better educated than non-members, though members' overall level is still rather low. The level of education among Committee members ranks the highest. Almost all Committee members have at least completed Standard 3 compared with only 5 non-members and 9 members. Of those interviewed, 63 percent of non-members, 37 percent of members, and one Committee member have had no formal education.

TABLE 5

Sex of Ikageng/Barolong Co-operative Society Members

SEX OF MEMBERS	NUMBER	PERCENTAGE OF MEMBERSHIP
Male	221	82
Married female	20	7.3
Single female	<u>29</u>	<u>10.7</u>
	270	100.0

SOURCE: Ikageng/Barolong members cards.

TABLE 6

Age of Household Head of Non-Members, Members,
and Committee Members of Ikageng/Barolong Co-operative Society

AGE CATEGORY	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
30	0	-	1	4.0	0	-
31-40	7	26.0	2	7.0	1	14.0
41-50	7	26.0	4	15.0	2	29.0
51-60	6	22.0	4	15.0	0	-
61-70	3	11.0	14	52.0	3	43.0
70	<u>4</u>	<u>15.0</u>	<u>2</u>	<u>7.0</u>	<u>1</u>	<u>14.0</u>
Total	27	100.0*	27	100.0*	7	100.0*

* Figures may not total to 100% because of rounding.

TABLE 7

Educational Level of Non-Members, Members, and Committee Members
in Ikageng/Barolong Co-operative Society, and of the General Population

LEVEL	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
None	17	63.0	10	37.0	1	14.0
Standard 1-3	5	18.5	8	30.0	0	-
Standard 4-6	5	18.5	4	15.0	1	14.0
Form 1-3	0	-	3	11.0	1	14.0
Form 4-6	0	-	2	7.0	2	29.0
Above	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>	<u>2</u>	<u>29.0</u>
Total	27	100.0*	27	100.0*	7	100.0*

(continued)

Table 7, Educational Level, cont.)

GENERAL POPULATION**

LEVEL	Number	Percentage
None	-	75.0
Standard 1-2	-	6.3
Standard 3-4	-	12.5
Standard 5-6	-	-
Form 1 or above	-	<u>6.2</u>
Total	-	100.0

* Total may not add to 100% because of rounding.

** Source: 1981 Botswana Agricultural Statistics, p. 14. Data are for 'Farm Holders.'

Sources of Wealth and Livelihood

Table 8 presents data on the relative importance of varying sources of livelihood for the three populations. Two important features can be noted. First, agricultural related activities are by far the most important sources of livelihood for members. Eighty-five percent stated that either arable agriculture or livestock was their most important source of livelihood, and 77 percent also gave one or the other as their second most important source of livelihood.

Non-members' primary and secondary income sources are more evenly spread across the categories. Wage income was usually their most important. The category listed as 'other', which includes activities as self-employment and business enterprises, was non-members' most common secondary source. This lesser dependence on agricultural activities indicates a lower need of the services provided by the co-operative and thus a reason for not joining.

Second, arable agriculture and wage income are the most important income source for Committee members, followed next by livestock. For several Committee members, wages are from salaries as civil servants or Tribal Authorities, placing them as prominent leaders in Barolong institutions.

TABLE 8

Relative Importance of Various Sources of Livelihood
for Non-Members and Members and Committee Members
of Ikageng/Barolong Co-operative Society

SOURCES OF LIVELIHOOD	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
<u>Primary Source</u>						
Livestock	5	20.0	6	22.0	1	14.0
Arable agriculture	5	20.0	17	63.0	3	43.0
Wage income	8	32.0	4	15.0	3	43.0
Remittances	2	8.0	0	-	0	-
Others	<u>5</u>	<u>20.0</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>
Total	25	100.0*	27	100.0*	7	100.0
<u>Secondary Source</u>						
Livestock	5	22.0	15	55.0	4	57.0
Arable agriculture	6	26.0	6	22.0	2	29.0
Wage income	0	-	3	11.0	1	14.0
Remittances	5	22.0	2	7.0	0	-
Others	<u>7</u>	<u>30.0</u>	<u>1</u>	<u>4.0</u>	<u>0</u>	<u>-</u>
Total	23	100.0*	27	100.0*	7	100.0*
<u>Third Source</u>						
Livestock	3	33.0	6	29.0	3	100.0
Arable agriculture	5	56.0	2	10.0	0	-
Wage income	0	-	3	14.0	0	-
Remittances	1	11.0	6	29.0	0	-
Other	<u>0</u>	<u>-</u>	<u>1</u>	<u>5.0</u>	<u>0</u>	<u>-</u>
Total	9	100.0*	21	100.0*	3	100.0*

* Totals may not add up to 100% because of rounding.

Levels of Wealth

Members tend to be wealthier than non-members, and Committee members appear to be elite--67 percent of members were classified as 'rich' or 'moderately rich' compared with 33 percent of non-members. Six out of the seven Committee members interviewed were 'rich', with one Committee member falling in the 'moderately rich' category.

TABLE 9

Levels of Wealth of Non-Members, Members, and Committee Members of Ikageng/Barolong Co-operative Society

LEVELS OF WEALTH	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	No.	%	No.	%	No.	%
Poor	5	19.0	3	11.0	0	-
Moderately poor	13	48.0	6	22.0	0	-
Moderately rich	6	22.0	7	26.0	1	14.0
Rich	<u>3</u>	<u>11.0</u>	<u>11</u>	<u>41.0</u>	<u>6</u>	<u>86.0</u>
Total	27	100.0	27	100.0	7	100.0

Agricultural Practices

Members are more likely to plough than non-members, as indicated in Table 10. When they do plough, they tend to have a commercial orientation to their production, own basic agricultural implements, possess sufficient draught power or tractors within their households, and commonly utilise progressive agricultural techniques.

About one half of the non-members interviewed ploughed in the 1980/81 agricultural season. Non-members who plough have less of a commercial orientation to their production and produce a lower output. About one half of those who ploughed had access to adequate draught power and implements within their households.

All Committee members interviewed who ploughed possessed their own tractors and are well endowed with agricultural implements. They are strictly commercial agriculturists, holding large arable tracts and producing hundreds of bags of grain for sale. Additional information on agricultural practices is in Appendix I.

TABLE 10

Non-Members, Members, and Committee Members
Who Ploughed in 1980/81 Agricultural Season

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	14	52.0	19	70.0	5	71.0
No	<u>13</u>	<u>48.0</u>	<u>8</u>	<u>30.0</u>	<u>2</u>	<u>29.0</u>
Total	27	100.0	27	100.0	7	100.0

TABLE 11

Smallstock Ownership Among Non-Members, Members, and Committee
Members of Ikageng/Barolong Co-operative Society and General Population

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	16	59.0	21	78.0	5	71.0
No	<u>11</u>	<u>41.0</u>	<u>6</u>	<u>22.0</u>	<u>2</u>	<u>29.0</u>
Total	27	100.0	27	100.0	7	100.0

GENERAL POPULATION*

Goats	Percentage	Sheep	Percentage
Yes	64.0	Yes	40.0
No	<u>36.0</u>	No	<u>60.0</u>
Total	100.0	Total	100.0

* SOURCE: 1980 Botswana Agricultural Statistics.

Ownership of Smallstock and Cattle

Available data indicate that members are more likely to possess smallstock (sheep and goats) and cattle than non-members. As illustrated in Table 11, close to 60 percent of non-members and 80 percent of members own smallstock. Smallstock is owned by 5 of the Committee members interviewed.

Figures on cattle ownership are given in Table 12. As shown, all Committee members and 96 percent of the members interviewed are cattle owners. This figure drops to 70 percent for non-members and 64 percent for the general population.

It was thought that accurate information could not be obtained on the size of cattle herds. However, several indicators point to members holding larger herds than non-members. First, more members were shown to

TABLE 12

Cattle Ownership Among Non-Members, Members, and Committee Members of Ikageng/Barolong Co-operative Society and General Population

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	19	70.0	26	96.0	7	100.0
No	<u>8</u>	<u>30.0</u>	<u>1</u>	<u>4.0</u>	<u>0</u>	<u>-</u>
Total	27	100.0	27	100.0	7	100.0

GENERAL POPULATION*

Yes	Percentage
Yes	64.0
No	<u>36.0</u>
Total	100.0

* SOURCE: 1980 Botswana Agricultural Statistics.

possess cattle draught within their household. Second, to the extent that wealth is correlated with cattle ownership, members, who have tended to be wealthier than non-members, are likely to have larger herds.¹⁹

Sale of Cattle and Smallstock

There appears to be little difference in the sale of smallstock among the three groups. Of those who did sell, most sold only a few head and usually to other villagers.

Co-operative members were more likely to sell cattle, and, when they did, to sell more beasts. Of those interviewed, about 26 percent of non-members possessing cattle sold some of them in 1981. On the average, each sold approximately 1.6 beasts. In contrast, close to 62 percent of all the members sold cattle, averaging almost 3 beasts each. Six out of 7 Committee members sold cattle, averaging over 15 beasts per person.

TABLE 13

Smallstock Sold in Previous Year by Non-Members, Members, and Committee Members of Ikageng/Barolong Co-operative Society Who Own Smallstock

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	3	19.0	3	14.0	2	40.0
No	<u>13</u>	<u>81.0</u>	<u>18</u>	<u>86.0</u>	<u>3</u>	<u>60.0</u>
Total	16	100.0	21	100.0	5	100.0

TABLE 14

Non-Members, Members, and Committee Members of Ikageng/Barolong Co-operative Society Owning Cattle Who Sold Cattle in Previous Year

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	5	26.0	16	62.0	5	71.0
No	<u>14</u>	<u>74.0</u>	<u>10</u>	<u>38.0</u>	<u>2</u>	<u>29.0</u>
Total	19	100.0	26	100.0	7	100.0

Membership in Other Groups and Institutions

Members' households are more likely to be involved than non-members' in other groups and institutions. Close to 78 percent of members belonged to other groups, of whom 63 percent were members in an agricultural related group. (See Table 15). For non-members, these figures were 26 percent and 7 percent respectively. Six out of seven Committee members interviewed belonged to other groups, most commonly the Barolong Farmers Association. Committee members include the Barolong Tribal Authority, the ex-Tribal Authority, and one present and one past member of the Rolong Land Board.

Structure

Financial Position

Trading results indicate a sound and improving financial position. Since 1977, total value of sales has been rising, along with both gross and net surpluses and reserves. Table 16 makes this clear.

TABLE 15

Membership in Other Groups/Institutions for Non-Members, Members, and Committee Members of Ikageng/Barolong Co-operative Society

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	7	26.0	21	78.0	6	86.0
No	<u>20</u>	<u>74.0</u>	<u>6</u>	<u>22.0</u>	<u>1</u>	<u>14.0</u>
	27	100.0	27	100.0	7	100.0
Holding office	1	3.7	10	37.0	4	57.0
Membership in agricultural related group	2	7.0	17	63.0	4	57.0

* Includes Fencing Group, Dosing Group, Borehole Syndicate, Farmers Committee, Farmers' Association, Tractor Syndicate, 4-B Club etc.

TABLE 16

Trading Results and Financial Indicators:
Ikageng/Barolong Co-operative Society

	1979	1978	1977	1976
Livestock				
Number of cattle sold	387	268	224	290
Gross value	P 62135	P44417	P34044	P43915
Other sales				
Agricultural inputs	-	-	P 132	P 576
Livestock inputs	P 2714	P 316	-	-
Fertiliser	-	P 229	P 1817	P 4130
Fuel	P 67012	P38629	P 4363	-
Total value of sales (net)	P131255	P88412		
Net surplus (loss)				
Cattle sales	P 675	P (302)	P 89	P 1267
Livestock	P 681	P (267)	-	-
Fertiliser	-	P 122	P (7)	P 2800
Fuel	P 4655	P 3018	P (218)	P (19)
Total	P 6011	P 2561	P (922)	P 4048
Gross surplus	9744	5360	5585	-
Net surplus/sales	4.6%	3.1%	-	-
Gross surplus/sales	7.4%	7.9%		
Share capital	P 2021.40	P 1881	P 1876	
Average shareholding per member	P 9.27	P 9.80	P 9.47	
Reserves	P 3978.72	P 2469		
Reserves/sales	3.0%	2.8%		

Employees: 11

Assets: shop (Pitsane)
office (Good Hope)
petrol pumps (Good Hope)

The largest components of the society's trade by value are livestock marketing and the sale of fuel. The sale of fuel is the most profitable service, yielding a net surplus in 1979 of P4655, out of a total net surplus of P6011. The net surplus generated by livestock marketing has been variable and usually low.

Share capital has stayed relatively constant, despite increasing membership since 1977. Average shareholding per member has been less than the P10.00 required. This indicates that members have not paid their minimum shares in full and few, if any, are purchasing shares above the minimum requirement.

The co-operative took over an operating consumer shop in Pitsane in late 1981. Much of the recent time and energy of the Committee and management has gone into obtaining the shop and starting its operation. To purchase the shop, a P60,000 loan was obtained from the BCB with 10 years to pay at an annual interest rate of 14 percent. Insufficient time has passed to assess the financial viability of this acquisition.

Role in Local Economy

Ikageng/Barolong is the main outlet for the export sale of cattle in the Barolong Farms. There are no accurate figures on the number of cattle sold annually to the BMC from the Barolong Farms, or what percentage of those are sold via the co-operative. However, according to McDonald, co-operatives take about 50 percent of the entire Ngwaketse/Barolong regional export offtake.²⁰ Auctions, scheduled frequently in Good Hope (as well as Phitshane-Molopo), take about 20 percent of the region's export offtake. There are few traders in the area who purchase cattle.²¹ Ikageng/Barolong is by far the single most important outlet for the sale of cattle in the area.

The co-operative has helped increase competition in the Barolong market increasing the local selling price of cattle. Although no records were kept, a trader in the Barolong Farms stated the need to raise his purchase price of cattle after the co-operative's registration.

Although the average price received by the co-operative for the sale of a beast to the BMC is greater than that from other buyers, the difference in the price actually received by an individual is minimal. For example, in 1973 the average price per head at auction sales in the Ngwaketse/Barolong region was P130. In the same year, the average price per head at Ikageng/Barolong was P151, a P21 difference.²² But out of the price received by the co-operative is subtracted the co-operative's commission, Government levy, and other handling expenses which reduce the net price actually paid by a co-operative to members. As a consequence, there is little price differential between the co-operative and other buyers. This low price differential provides little economic incentive for marketing cattle through the co-operative.

The sale of fuel, both petrol and diesel, is crucial in the local economy. There are only two other sources of petrol in the Barolong

Farms. The co-operative has helped facilitate a number of members, 28 in 1981 alone, to obtain diesel tanks on their farms and its direct sale to them from the company.

Another service provided by the co-operative is the distribution of ALDEP implement packages. The co-operative began distributing ALDEP packages late in the 1980/81 agricultural season. It is the only ALDEP distribution point in the Barolong Farms. Forty-five plough and planter 'packages' have been distributed, for which the co-operative receives a P38 commission per package. The co-operative has made no particular efforts to disseminate information on ALDEP, although most of those who have taken packages have been members.

Services Utilised

Livestock Marketing. Both interview data and an analysis of Livestock Instruction Sheets and Kill Sheets indicate that the sale of cattle is skewed with few members selling many head. These data are presented in Tables 17 and 18. For example, according to Table 17, of the 16 members interviewed who sold cattle in 1981, 15 sold between 1 and 4 head. At the same time, 5 Committee members sold cattle, with 4 selling over 11 head each. These 5 Committee members sold 78 head in total.

The same trend is also presented in Table 18. Of the estimated 378 cattle marketed by the society in 1979, 10 people sold over 10 head each, accounting for about one third of the society's throughput. Forty-one members marketed 4 head or less, accounting for one fourth of the society's total. Sixty-eight members marketed cattle in 1979. This is about 31 percent of the society's total membership for 1979 of 218 members.

Table 17 also indicates that several members and a Committee member sold livestock outside of the society, a practice prohibited by the society's by-laws. Except for appeals to loyalty, the society is apparently unable, unwilling, or uninterested in taking steps to enforce this rule.

Other Services. Other services provided by Ikageng/Barolong either are not utilised by a large number of members, they are not exclusively reserved for members, or else another source for the service was or is available. The sale of fuel, for example, is the co-operative's largest source of net surplus. Obviously, fuel is purchased only by those who own vehicles and/or tractors. About 41 percent of members interviewed owned a vehicle and/or tractor. The co-operative recently purchased an operating shop in Pitsane. By doing so, the co-operative may be widening its range of services and strengthening its financial base, but it is not providing any new services to the area. The purchase of fuel and use of the consumer shop are available to all people and are not exclusively reserved for members.

Structure and Capacity of Management

It is the author's opinion that the society's managerial strength stems from several individuals within the Committee who are dedicated,

TABLE 17

Number, Distribution, and Outlet of Cattle Sold
in Previous Year for Non-Members, Members, and Committee
Members of Ikageng/Barolong Co-operative Society

<u>Non-Members</u>			
OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	0	0	0
Butcher	0	0	0
Auction	5	8	1.6
Co-operative	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>
	5	8	1.6

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	8	8
3-4	0	0
5-7	0	0
8-10	0	0
11-15	0	0
15+	<u>0</u>	<u>0</u>
Total	8	8

<u>Members</u>			
OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF CATTLE SOLD IN EACH OUTLET	AVERAGE NO. CATTLE SOLD PER PERSON
Agent	0	0	-
Butcher	0	0	-
Auction	3	9	3
Co-operative	12	29	2.4
Other	<u>1</u> (direct to BMC)	<u>6</u>	<u>6</u>
Total	16	44	2.75

(continued)

(Table 17, Number, Distribution, and Outlet of Cattle, cont.)

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	11	20
3-4	4	13
5-7	2	11
8-10	0	0
11-15	0	0
15+	<u>0</u>	<u>0</u>
Total	17	44

Committee Members

OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK SOLD PER TRANSACTION
Agent	0	0	0
Butcher	0	0	0
Auction	1	11	11
Co-operative	5	67	13.4
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total	5*	78	15.6

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	0	0
3-4	0	0
5-6	1	5
7-10	0	0
10-15	1	15
15+	<u>3</u>	<u>58</u>
Total	5	78

* One member sold livestock through the co-operative and auction, so only 5 of the Committee members surveyed sold livestock.

TABLE 18

Number and Distribution of Cattle Sold Through
Ikageng/Barolong Co-operative Society: 1979

NO. OF CATTLE	NO. OF CATTLE SOLD	PERCENT OF CATTLE SOLD	NO. OF PEOPLE SELLING	PERCENT OF PEOPLE SELLING
1	11	2.9	11	16.2
2	26	6.8	13	19.1
3	24	6.3	8	11.7
4	36	9.5	9	13.2
5	35	9.2	7	10.3
6	0	-	0	-
7	14	3.7	2	2.9
8	24	6.3	3	4.4
9	36	9.5	4	5.9
10	10	2.6	1	1.4
11-15	51	13.5	5	7.3
15+	<u>111</u>	<u>29.3</u>	<u>5</u>	<u>7.3</u>
Total	378*	100.0	68	100.0

SOURCE: Livestock Instruction and Kill Sheets.

* Total cattle sales in 1979 were 387. Because of difficulties reading Instruction and Kill Sheets, and data missing from them, 378 head were totalled. These figures should be taken as indicators rather than precise statistics.

well educated, and knowledgeable of co-operative principles. The two hired managers are competent but overworked. It would be difficult for the managers to successfully oversee any new activities. The General Membership is typically uninformed about their society's affairs and has little voice in its control.

Management. The General Manager and Assistant Manager are competent. The former concentrates on operating the consumer shop and the latter oversees the marketing of livestock. Both have completed at least (old) Standard 5, have received extensive training from CODEC, and have

many years of work experience with Ikageng/Barolong. The General Manager began working with the society as a bookkeeper in 1975. The following year he was appointed as its first manager. No management corruption has been reported.

As a rule, both managers are satisfied with their working conditions and relations with the Committee. Managers did however, voice several complaints concerning salary and Committee protocol. Both believed that their present salaries are too low. Though they seek higher salaries, both realise the limited ability of the society to grant them.

According to co-operative protocol, Committee members are supposed to liase with the management, who in turn contact employees. The managers have complained that this protocol is sometimes breached, with Committee members directly addressing employees.

Committee. The society's development indicates the Committee's overall competence. It has kept the society on a secure financial basis, it meets regularly (although attendance is irregular), and apparently has been corruption free. However, several points need to be discussed.

The principal weakness of the Committee is a lack of understanding of co-operative principles by a number of its members. Most have received no training on these matters. As a consequence, there are some procedural problems, and rules and principles may be broken unintentionally. For example, several Committee members wanted the society to continue the practice of the previous owner of its shop of granting coffins on credit. Though there is a local need and demand for this service, granting them on credit would violate the society's by-laws.

There has been a regular turnover of Committee members. However, elections have not always been held annually, members are sometimes appointed to the Committee by the Committee (with or without later approval by the General Membership), and the Chairman and Vice-Chairman have held these positions virtually uninterrupted and un-opposed since the start of the society.

As previously illustrated, Committee members have tended to be very prosperous and plough huge arable tracts. Differences in wealth and orientation of arable practices may imply attitudinal differences between the Committee and the General Membership and non-members on the appropriate direction of society policy. Only cattle owners can benefit from cattle marketing; only owners of vehicles and tractors can benefit from the sale of fuel.

General Membership. The General Membership has little input into the running of the society, and is largely un-informed of the society's activities. Internal communications are poor. Although general meetings are called annually, attendance is low (see Table 19). With low attendance, there is little opportunity for members to have much of a voice in governing their society or to be made aware of its activities. For example, although about 41 percent of members interviewed assessed the

TABLE 19

Number of General Meetings and Attendance: 1977-1981

YEAR	NO. OF GENERAL MEETINGS CALLED	AVERAGE ATTENDANCE	PERCENTAGE OF TOTAL MEMBERSHIP
1981	1	35	12.5
1980	2	58	21.0
1979	2	29	13.3
1978	1	30	15.6
1977	-	-	-

Committee as doing well, close to 80 percent did not know who the Committee members were nor the date of the last elections.

Managers stated that they followed CODEC's recommended practices of publicising meeting dates several weeks in advance with announcements on Radio Botswana, notices placed in public places, informing village headmen, who in turn spread the information at kgotla meetings and by word of mouth. In practice however, this latter method seems to be the only one utilised. When asked why they did not attend meetings of the co-operative, the majority of members replied that they were not informed that a meeting was going to take place.

Technical and geographic features exacerbate the co-operative's internal communication problems. First, there are no large central villages in the Barolong Farms. People tend to live in a dispersed settlement pattern. This makes word of mouth communications less effective than if people lived in large villages. Second, telephone services are poor. Third, few people possess vehicles and public transport is limited. Even if people are aware of a meeting, simply getting there may be a difficult task. The Barolong ideology of individualism and their historic reluctance against group participation of any sort may also be a factor in explaining low membership participation.²³

Relations with 'Apex' Organisations, Agricultural Extension, and District Council

The society receives systematic supervision only from CODEC in the form of quarterly inspections and the annual audit report. Most dealings with the BCU are business transactions concerning livestock marketing or

the purchase of goods for the society's shop. The society has dealt with the BCB on only two occasions. The first concerned a loan application for the construction of a storage facility (to be discussed in the following section). The second concerned the loan for the purchase of the shop in Pitsane.

Aside from scheduled CODEC inspections and business dealings with BCU, contact between the society and 'apex' organisations is usually at the initiative of the society. Here, 'apex' officials are contacted when a problem arises within the society which the members cannot readily solve themselves. These officials were said to respond quickly and efficiently. Members lodged no complaints against any of the 'apex' organisations.

Ikageng/Barolong has had no systematic contact with local agriculture extension personnel. The past District Agricultural Officer had occasionally been invited to attend meetings, but only when a matter involving him was on the agenda. Members reported a greater frequency of contact with Agricultural Demonstrators (AD's) than did non-members. However, this had nothing to do with the society. The reason probably lies with the fact that members more frequently plough and tend to be more progressive farmers than non-members and consequently receive greater AD contact.²⁴

Until quite recently, there has been very little contact between the society and District Council. Contact has come with Council assistance, primarily the Rural Industrial Officer and the Production Development Committee, in financing the feasibility study for the society's planned ground-nut processing plant.

Future Plans and Perceptions

A large commitment of the Committee's time and energy has gone into a planned ground-nut processing plant. This is the principal project under discussion. Though the author does not have the expertise to comment on its feasibility study nor does this report permit a lengthy discussion of this project, several points should be mentioned. First, management is currently strained from the efforts required to operate the newly opened consumer shop. Although provision is made in the feasibility study to hire a manager for the processing plant, the society's ability to manage all its present operations effectively is doubtful. Second, the society has taken a P60,000 loan from the BCB, with 10 years to pay at 14 percent interest rate annually. Although the society can probably receive substantial financial assistance from the Government Assistance Policy, its ability to service the plant's loan, given its present financial commitments, is questionable. Third, one wonders if a ground-nut processing plant is the 'best new service' that the co-operative can provide its members. Committee members' principal support for the project seemed to be the desire to achieve higher prices for ground nuts. Obviously commercial farmers have more to gain than subsistence producers. At the time of this writing, members were generally not aware of this proposed activity.

The provision of agricultural implements, credit, grain marketing, and transport for marketing grain were the services most requested from both members and non-members that the co-operative is not currently providing. The co-operative has plans, and in the recent past has attempted, to provide implements and to become an agent of BAMB. In early 1980, the co-operative received BAMB approval to become an agent. At the same time, it received approval from BCB for a loan to construct the required storage facility. The facility could also be used to store agricultural implements and other inputs. Soon afterwards, the BCB reported that the money assigned to Ikageng/Barolong had instead been given to another society and that no other funds were then available. Committee members expressed the belief that the society did not receive the loan because of its proximity to the BAMB depot in Pitsane. Nonetheless, the society still plans on constructing the storage facility at an undetermined point in the future. No attempts have been made to follow up with the BCB on this matter.

Providing grain transport proved uneconomical in the past. The society currently lacks the finance to purchase a vehicle of its own to provide this service. There are no plans, aside from ALDEP, to provide other types of credit.

Recommendations

There are few recommendations that can be made which would have specific applicability to Ikageng/Barolong. There are however, several suggestions which may be of use in improving the society's operations and involving it in CFDA activities. Lock-up facilities could be established in several points in the Barolong Farms to facilitate grain marketing and to serve as distribution points for improved seeds and agricultural implements. If BAMB does not establish these facilities, the co-operative could consider running them as an agent of BAMB. In any case, the co-operative could again distribute seeds, arable inputs, and implements from its Good Hope office to increase the number of distribution points in the Barolong Farms. The society may also consider approaching CODEC and the BCB about involvement in the Seasonal Credit Programme. More general recommendations are included in Chapter VII.

CHAPTER IV

PHITSHANE-MOLOPO CO-OPERATIVE MARKETING SOCIETY

In the short history of the Phitshane-Molopo Co-operative Marketing Society, there has been a long story of mis-management, corruption, and plain bad luck. These factors have kept the society poorly organised, leading to its weak financial position, the provision of few services, and little membership involvement. It falls far short of being a co-operative society. Instead, it is but a paper organisation that markets livestock to the BMC.

Formation

The initial efforts to introduce a co-operative marketing society were undertaken by the AD, in conjunction with District Officers and agricultural field staff. It is an outgrowth of a Farmers' Committee organised in 1970, again by the AD's efforts.

In early 1975, the Farmers' Committee marketed livestock to the BMC where it was represented at the abattoir in Lobatse by the BCU. This prompted the start of a 12-member 'steering committee', composed mostly of Farmers' Committee members who, together with CODEC officials, the local Councillor, and the District Agricultural Officer for Southern Ngwaketse, toured nearby villages to explain co-operative principles and promote public involvement. The society was registered in mid-1975, with 35 members from eight villages stretching from Mokatako to Mabule along the Molopo River. Most were resident in Phitshane-Molopo.

Though the society began on a positive note, it was not too long until misfortune beset it. Soon after registration, a local woman was selected as manager and was sent at the society's expense to a six-month CODEC-sponsored management course at Sebele. After completion, she did not return to the society but instead, took higher paying employment in the Republic of South Africa.

The society's business activities were then conducted by the Committee until late 1975. At this time, another manager was introduced to the society from CODEC. Members objected because they distrusted a stranger in this role. But at the insistence of CODEC and the lack of suitable candidates from the area, this person was taken on.

The new manager was apparently competent in his work, having had prior experience as a manager at another society. Several months later however, it was discovered that the manager had been forging cheques. He was able to do this for such a long period without others' awareness, mainly due to Committee members' ignorance of proper business procedures.

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He was arrested, tried, and sentenced to four years' imprisonment. As a consequence however, the society was bankrupted and many people dropped their membership.

Again, managing the society fell to the Committee. In early 1979, another local person was hired as manager. She began employment after attending a six-month CODEC-sponsored managers' course. Upon her return it was decided to begin the sale of agricultural inputs, building materials, and to construct a storage shed financed through a P9,400 loan from the BCB.

Later the same year, problems again beset the society. These set the stage for its current state of inactivity. The precise sequence and nature of events is unclear. Some Committee members claim that the manager put little effort into her duties. Work was neglected and as a consequence she fell on bad terms with the Committee. She became pregnant and officially resigned in January 1982. Other people claim that agricultural inputs and building materials were taken without payment by several Committee members for their personal use and for sale. In 1981, it was also alleged that some Committee members gave themselves advances, a practice forbidden by co-operative by-laws. At the time of this writing, they have not been re-paid.²⁵

As a consequence of these occurrences, the society has drastically declined. It is operating at a high loss, Committee members were reported to be on poor terms with each other, and cynicism is high among members.

Overview of Members and Non-members

Membership in the Phitshane-Molopo Society was 165 in 1981. Members are drawn from the villages stretching from Mokatako to Mabule along the Molopo River. As indicated in Table 20, membership rose steadily until 1979 when it dramatically declined. This may be attributed to alleged mis-management within the Committee. Since then however, membership has increased, although the growth rate has been slower and the society has yet to re-gain the peak membership of 1978.

After the initial steps to form the society, no membership drives have been undertaken. Most people have come to hear about the co-operative through informal communications and the efforts of the AD. Most have joined in the hope of obtaining a higher price for the sale of livestock than obtained elsewhere.

Households in Society's Jurisdiction

Table 21 presents estimates of the percentage of total households, farming households, and households owning cattle who are members and resident within the society's jurisdiction. Within the society's jurisdiction, there are an estimated 1098 households, of which 417 are farm (ploughing) households, and 757 are households owning cattle. Of these,

TABLE 20

Membership in Phitshane-Molopo Society: 1976-1981

YEAR	MEMBERSHIP	PERCENT ANNUAL GROWTH IN MEMBERSHIP
1976	79	-
1977	130	64.5
1978	187	43.8
1979	108	(-42.2)
1980	161	49.1
1981	165	2.5

SOURCE: 1980 Audit Report and member cards.

TABLE 21

Number of Households in Jurisdiction of the
Phitshane-Molopo Co-operative Marketing Society
and Percentage Households Holding Membership

POPULATION	NO. OF HOUSEHOLDS	PERCENTAGE HOUSEHOLDS
Total population ¹	1098	15.0
Farm (ploughing) households ²	417	19
Households owning cattle ³	757	21

- SOURCES:
1. Calculated from 1981 Census Map in which each dwelling compound was assumed to be a household.
 2. Based on figures from Paul Heisey, "Agriculture and Target Agricultural Populations in Southern District FCDA: A Preliminary Report," mimeographed, p. 7. Thirty-eight percent of households in Phitshane-Molopo were said to be 'ploughing households' and approximately 47 percent of members plough.
 3. Based on figures from *ibid.*, where 69 percent of households in Phitshane-Molopo and 94 percent of members hold cattle.

15 percent of all households, 19 percent of farm households, and 21 percent of households owning cattle are members.

Sex of Members and Household Heads

There are currently 6 female members, representing about 4 percent of total membership. Information is not available on their marital status. This indicates that at least 96 percent of the members are male and probably act as household heads. All Committee members are male. According to Narayan-Parker, in Phitshane-Molopo 60 percent of household heads are male and 40 percent are female.²⁶

Age of Household Heads

Members are more likely to have households with older heads. Close to 60 percent of member household heads are over 50 years of age. Heads of non-member households are more evenly spread about the age categories, with 41 percent over 50 years old. Five out of the 7 Committee members interviewed fell into the 51-60 age category (see Table 22).

Level of Education

There is apparently little difference in the levels of education among the different groups. As given in Table 23, 53 percent of non-members and 47 percent of members have had no formal education. Committee members are slightly better educated. Only one Committee member has not attended school, while four have attended Standards 1 through 3.

TABLE 22

Age of Household Heads: Non-Members, Members, and Committee Members of the Phitshane-Molopo Co-operative Marketing Society

AGE	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
30	2	12.9	0	-	0	-
31-40	6	35.0	3	18.0	0	-
41-50	2	12.0	4	24.0	2	29.0
51-60	5	29.0	5	29.0	5	72.0
61-70	0	-	5	29.0	0	-
70+	2	12.0	0	-	0	-
Total	17	100.0*	17	100.0*	7	100.0*

* Totals may not add up to 100% because of rounding.

TABLE 23

Level of Education: Non-Members, Members, and Committee Members of the Phitshane-Molopo Co-operative Marketing Society

LEVEL	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
None	9	53.0	8	47.0	1	14.0
Standard 1-3	4	23.0	3	18.0	4	57.0
Standard 4-6	3	18.0	2	12.0	1	14.0
Form 1-3	1	6.0	4	23.0	1	14.0
Form 4-6	0	-	0	-	0	-
Above	0	-	0	-	0	-
Total	17	100.0*	17	100.0*	7	100.0*

* Totals may not add up to 100% because of rounding.

Sources of Wealth and Livelihood

Table 24 presents data on the relative importance of varying sources of livelihood. Evidence indicates that agricultural activities are of greater importance for both the General Membership and the Committee than for non-members. Close to 60 percent of members and Committee members alike ranked arable agriculture or livestock as their primary source of livelihood. In contrast, not a single non-member indicated that arable agriculture was a primary source and only 3 indicated livestock. The two most important sources of livelihood for non-members are wage employment and remittances.

Levels of Wealth

There is little apparent difference in the levels of wealth between members and non-members though Committee members generally appear to be wealthier than both groups. Not a single member interviewed was classified as 'poor', although 6 non-members fell into this category. Eight members and 10 non-members were classified as 'moderately rich' or 'rich', as well as 6 out of 7 Committee members. (See Table 25).

Agricultural Practices

Evidence suggests that arable activities are not generally significant to the population in the area near Phitshane-Molopo. Only 38 percent of households ploughed in the 1980 agricultural season.²⁷ Mean food crop production per ploughing household is low and few, if any, have a commercial orientation to their arable production.

TABLE 24

Relative Importance of Various Sources of Livelihood:
Non-Members, Members, and Committee Members of
Phitshane-Molopo Co-operative Marketing Society

SOURCES OF LIVELIHOOD	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
<u>Primary Source</u>						
Arable agriculture	0	-	5	29.0	2	29.0
Livestock	3	18.0	5	29.0	2	29.0
Remittances	4	24.0	1	26.0	1	15.0
Wage income	9	53.0	5	29.0	2	28.0
Others	<u>1</u>	<u>6.0</u>	<u>1</u>	<u>6.0</u>	<u>0</u>	<u>-</u>
Total	17	100.0*	17	100.0*	7	100.0*
<u>Secondary Source</u>						
Arable agriculture	3	27.0	2	15.0	2	33.0
Livestock	4	36.0	7	55.0	4	67.0
Remittances	2	18.0	2	15.0	0	-
Wage income	0	-	1	8.0	0	-
Others	<u>9</u>	<u>-</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>
Total	9	100.0*	12	100.0*	6	100.0*
<u>Third Source</u>						
Arable agriculture	0	-	3	38.0	1	33.0
Livestock	0	-	2	25.0	0	-
Remittances	0	-	0	-	2	67.0
Wage income	0	-	2	25.0	0	-
Other	<u>0</u>	<u>-</u>	<u>1</u>	<u>12.0</u>	<u>0</u>	<u>-</u>
	0	100.0*	8	100.0*	3	100.0*

* Totals may not add up to 100% because of rounding.

TABLE 25

Levels of Wealth: Non-Members, Members, and Committee Members of Phitshane-Molopo Co-operative Marketing Society

LEVELS OF WEALTH	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	No.	%	No.	%	No.	%
Poor	6	35.0	0	-	-	-
Moderately poor	1	6.0	9	52.0	1	15.0
Moderately rich	8	47.0	5	30.0	4	57.0
Rich	<u>2</u>	<u>12.0</u>	<u>3</u>	<u>18.0</u>	<u>2</u>	<u>28.0</u>
Total	17	100.0	17	100.0	7	100.0

Interview data support the generalisations given above. Relatively few among the three groups ploughed in the 1980/81 agricultural season, though ploughing was common among the Committee. This suggests that, although overall involvement in arable production is low, it is of more significance to members and Committee members. (Additional data on farming practices can be seen in Appendix II).

Table 26

Number of Non-Members, Members, and Committee Members of Phitshane-Molopo Co-operative Marketing Society Who Ploughed in 1980/82 Agricultural Season

	MEMBERS		NON-MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
Yes	3	18.0	8	47.0	5	71.0
No	<u>14</u>	<u>82.0</u>	<u>9</u>	<u>53.0</u>	<u>2</u>	<u>29.0</u>
Total	17	100.0	17	100.0	7	100.0

Ownership and Sale of Cattle and Smallstock

Perhaps the most obvious difference between members and non-members concerns the ownership and sale of stock animals. The tendency is for more members to possess both cattle and smallstock than non-members, with the frequency of stock ownership greatest among the Committee. Committee members appear more likely to sell cattle than members, although the average number sold per person is roughly the same.

TABLE 27

Smallstock Ownership: Non-Members, Members, and Committee Members of Phitshane-Molopo Co-operative Marketing Society (Goats and Sheep)

	MEMBERS		NON-MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	4	24.0	9	56.0	6	86.0
No	<u>13</u>	<u>76.0</u>	<u>7</u>	<u>44.0</u>	<u>1</u>	<u>14.0</u>
Total	17	100.0	16*	100.0	7	100.0

* One case missing.

Only 24 percent of non-members possessed smallstock, compared with 56 percent of the members and 86 percent of the Committee members (see Table 27). Cattle ownership is more equalised. Sixty-nine percent of the households in Phitshane-Molopo were reported to hold cattle. Forty-seven percent of non-members interviewed owned cattle. Cattle are owned by close to 94 percent of the General Membership and by all members of the Committee.

Few people from the three groups sold smallstock. Most transactions were between individuals and only one or two head were sold.

Cattle are owned by eight of the non-members interviewed. Of those, three indicated that they had sold cattle in the previous year. Each sold one beast. In comparison, 15 members interviewed owned cattle, of

whom twelve had sold cattle in the previous year. The average number sold per member was 5.6.* Five Committee members sold cattle, averaging 5 head each. These data are presented in Table 29.

TABLE 28

Cattle Ownership: Non-Members, Members, and Committee Members of the Phitshane-Molopo Co-operative Marketing Society and the General Population

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS		GENERAL POPULATION**	
	No.	Percent	No.	Percent	No.	Percent	No.	Percent
Yes	8	47.0	15	94.0	7	100.0	13	69.0
No	<u>9</u>	<u>53.0</u>	<u>1</u>	<u>6.0</u>	<u>0</u>	<u>-</u>	<u>10</u>	<u>31.0</u>
Total	17	100.0	16*	100.0	7	100.0	23	100.0

* One case missing.

** Source: Heisey, 1981, p. 8.

Membership in Other Groups and Institutions

Member households are more likely to be involved than non-members in other groups and institutions. Of those interviewed, 53 percent of non-members and 76 percent of members had at least one household member involved in another organisation. All Committee members had other organisational involvement. Not a single non-member held an elected position in any organisation. Three members and five out of seven Committee members held office. Five members, four Committee members, and no non-members were involved in an agricultural related group.

* One member sold 37 head directly to the BMC. If this case is dropped an average of 2.5 head were sold per member for a total of 28 beasts.

TABLE 29

Number, Distribution, and Outlet of Livestock Sold
in Previous Year: Non-Members, Members, and Committee Members
of the Phitshane-Molopo Co-operative Marketing Society

Non-members

OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	0	0	0
Butcher	2	2	1
Auction	1	1	1
Co-operative	0	0	0
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total	3	3	1

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	3	3
3-4	0	0
5-6	0	0
7-8	0	0
9-10	0	0
11-15	0	0
15+	<u>0</u>	<u>0</u>
Total	3	3

Members

OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	0	0	0
Butcher	0	0	0
Auction	1	3	3
Co-operative	9	22	2.4
Other	<u>2</u>	<u>40</u>	<u>20.0</u>
Total	12	65	5.6

(continued)

(Table 29, Number, Distribution, and Outlet of Livestock, cont.)

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	8	12
3-4	2	6
5-6	0	0
7-8	0	0
9-10	1	10
11-15	0	37
15+	<u>1</u>	<u>0</u>
Total	13	65

Committee Members

OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK SOLD PER TRANSACTION
Agent	0	0	0
Butcher/ load trader	2	4	2
Auction	0	0	0
Co-operative	2	18	9
Other	<u>1</u>	<u>3</u>	<u>3</u>
Total	5	25	5

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	2	4
3-4	1	3
5-6	0	0
7-8	1	8
9-10	1	10
11-15	0	0
15+	<u>0</u>	<u>0</u>
Total	5	25

TABLE 30

Membership in Other Institutions/Groups:
Non-Members, Members, and Committee Members
of the Phitshane-Molopo Co-operative Marketing Society

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percentage	Number	Percentage	Number	Percentage
Yes	9	53.0	13	76.0	7	100.0
No	<u>8</u>	<u>47.0</u>	<u>4</u>	<u>24.0</u>	<u>0</u>	<u>-</u>
Total	17	100.0	17	100.0	7	100.0
Holding office	0	-	3	17.6	5	71.4
Membership in agricultural related group	0	-	5	29.4	4	57.1

Structure

Financial Position

The following table presents data on the society's recent financial trends. The figures indicate that the society was growing and on a sound financial basis until 1980 when major losses were reported. Since 1977, the total value of sales had been rising along with gross surplus. Net surplus had been increasing although there was a slight decline after 1978.

The society suffered a net loss of P2843 in 1980. Net losses were reported in all sales categories, including depreciation on the society's unused storage facility. The loss is greatest in the sale of livestock and agricultural inputs. The 1980 Audit Report attributed the loss to 'bad management'.

Total share capital has been growing steadily in correspondence with the society's increasing membership (with the exception of 1979). However, average shareholding per member has been quite variable and stood at P8.6 in 1980.

TABLE 31

Trading Results and Financial Indicators:
Phitshane-Molopo Co-operative Marketing Society

	1980	1979	1978	1977	1976
Livestock					
Number of cattle sold	316	360	200	219	222
Gross value	P56,172	P61,012	P32,677	P38,311	P30,988
Other sales					
Agricultural inputs	P 827	P 732	-	-	-
Building materials	131	-	-	-	-
Total net value of sales (net)	P55,754	P70,169			
Gross surplus	P 729	P 2,108	P 1,709		
Gross surplus/sales	1.3%	3.4%	5.2%		
Net surplus (loss)					
Livestock	P(1,488)	P 942	P 998		
Agricultural inputs	(1,192)	19	-		
Building materials	(163)	-	1		
Total	P(2,843)	P 961	P 998	P 589	P (1)
Net surplus/sales	5.0%	1.6%	0.03%	-	
Share capital	P 1,378	P 1,220	P 1,032	P 819	P 789
Average shareholding per member	P8.6	P11	P5.6	P6.3	P10
Deposits	P 132	P 95	-	-	-
Reserves	P 840	P 840			
Reserves/sales	1.5%	1.2%			

Employees: none

Assets: storage shelter

Member deposits with the society are very low. None were reported before 1979. In that year deposits with the society were P95.00. In 1980 deposits were P132. For practical purposes, the 'banking' function of the society is not working. No attempts have been made to promote it.

For the years for which data were available, the society's reserves have stayed constant at P840. This has been due to the net loss for the year 1980, when no surplus funds were available to be set aside for reserves.

Role in Local Economy

The only significant role that the Phitshane-Molopo Society plays in the local economy is to provide an alternative outlet for the sale of cattle to the BMC. In so doing it has probably increased competition in the local cattle market, thereby raising the average selling price of cattle.

Precise figures are not available on the number of cattle sold through various outlets in the geographic area of the Phitshane-Molopo Society. Auctions are held frequently in Phitshane-Molopo.

Only two local traders in the area were reported to buy cattle from villagers. The number purchased was said to be relatively low. Evidence from McDonald and the testimony of respondents indicate that the society is the single greatest outlet in the area for the sale of cattle to the BMC.²⁸

Services Utilised

Livestock Marketing. Livestock marketing is the only service which the co-operative currently provides. The sale of agricultural inputs and building materials ended in 1980.

Both survey data and an analysis of Kill Sheets and Livestock Instruction Sheets indicate that the sale of cattle through the co-operative is rather skewed, with relatively few people selling many head and accounting for a large proportion of the society's total. According to Table 32, out of 108 members selling cattle in 1979, 82 (75 percent) sold 4 head or less, accounting for 42 percent of the total throughput. On the other hand, 9 members sold 10 head or more, for 122 head or 33.7 percent of the total. The same trend is reported in Table 29. The table also indicates that several members and Committee members are selling cattle outside of the co-operative.

Structure and Capacity of Management

The managerial capacity of the Phitshane-Molopo Society has historically been poor. This has probably been the most significant factor contributing to its low level of activity and financial difficulties. This weakness has stemmed from both the society's managers and Committee.

TABLE 32

Number and Distribution of Cattle Sold by
the Phitshane-Molopo Co-operative Marketing Society: 1979

NO. LIVESTOCK SOLD BY PERSON	NO. OF TRANSACTIONS	PERCENT OF TRANSACTIONS	NO. OF LIVESTOCK	PERCENT OF LIVESTOCK
1	39	36.1	39	10.8
2	23	21.3	46	12.7
3	12	11.1	36	9.9
4	8	7.4	32	8.8
5	7	6.4	35	9.7
6	5	4.6	30	8.3
7	3	2.7	21	5.8
8	0	-	0	-
9	0	-	0	-
10	2	1.8	20	5.5
11-15	5	7.4	68	18.8
15+	<u>2</u>	<u>1.8</u>	<u>34</u>	<u>9.4</u>
Total	108	100.0	36*	100.0

* In 1979, 360 cattle were recorded as sold through the society. Because of difficulties in examining the Kill Sheets and Livestock Instruction Sheets, 361 livestock are reported here. These figures should be regarded as indicators and not as precise statistics. Furthermore, 108 members selling cattle is reported to be the total membership of the society for that year. This tends to indicate that most or all of those who were not selling cattle through the co-operative had dropped their membership.

Problems concerning the managers have already been discussed. This section is concerned primarily with the Committee.

Committee and General Membership. The Committee of the society is particularly weak. As mentioned earlier, allegations abound to the effect that some Committee members have mis-appropriated the co-operative's assets. This has reportedly led to disagreement among its members, cynicism and lack of participation among the General Membership and public, and financial losses for the society. The Committee has remained essentially the same since registration. Elections have not taken place since that time.

It is difficult to pinpoint the specific weaknesses of the Committee. Allegations of corruption and disagreements between its members have already been mentioned. The Committee also appears to lack knowledge of

co-operative principles and bookkeeping techniques. The only courses which Committee members have attended were two week-long CODEC-sponsored seminars in Phitshane-Molopo held in 1976 and 1980. The Committee has also shown a lack of willingness to follow the most basic organisational procedures. For example, in the past three years, six Committee meetings have been called, of which two failed to achieve a quorum. Since registration, only two General Meetings have been convened. There is no membership involvement in governing the society and the Committee is all but defunct. Currently, the only active member is the secretary who handles the sale of cattle to the BMC.

There are several probable causes for the unwillingness of the Committee to meet or to convene General Meetings. The first may lie with disputes among Committee members concerning alleged misappropriation of assets. Second, respondents suggested the unwillingness of Committee members to face allegations of mis-management from the General Membership. A third reason, suggested by several Committee members, was that the Chairman has too many other commitments and thus does not have the time to attend or convene meetings of the society. While the Chairman does have other responsibilities, such as holding the Chair for the Phitshane Sub-Land Board, working as a minister for a local church, and tending to his own livestock, this fails to explain why he has scheduled so few meetings since the society's formation. One respondent mentioned an unwillingness of the Chairman to face an election due to the possible loss of his position.

Relations with Apex Organisations, Agricultural Extension, and District Council

The only systematic supervision the society receives from 'apex' organisations is in the form of CODEC's quarterly inspections and the annual audit report. The society has few dealings with the BCU or the BCB. The only contact with the BCU is with the handling of livestock at the BMC in Lobatse. As mentioned earlier, the society has received a loan from the BCB for the construction of storage. No other contacts with these two 'apex' organisations were mentioned nor was any criticism levied by respondents against them.

In the past, the society had frequent contact with agricultural extension. Both the District Agricultural Officer and the local AD were instrumental in the co-operative's formation. After registration, contact between extension personnel and the society quickly receded. At present, there is no contact between them.

There has been little contact between Southern District Council and the society, though the local Councillor is a member of the co-operative.

Future Plans and Perceptions

The most common perception held by members for future plans of their society was the immediate need to have the Committee call a General

Meeting to hold elections. Members saw the existing Committee as the principal cause of the society's problems and impediment to its progress. Many expressed the opinion that only after a new Committee has been put into office could the society expect active membership participation and plan the provision of new services.

Both members and non-members expressed the desire to have several new services provided by the co-operative. Most common among these was the supply of building materials, livestock and agricultural inputs and consumer goods, and the marketing of grain. The society has most of the pre-requisites to provide these services. It has supplied building materials and inputs in the recent past. The storage facility is probably adequate to allow the society to become an agent of BAMB. In 1980, it applied to BAMB to receive agent status but BAMB has not acted on the society's request. The society currently lacks the managerial skill to act as an agent. This, together with its weak financial position, severely limits the society's potential for providing a wider range of services beyond cattle-marketing.

In early 1982, the society received approval from both CODEC and the BCB to participate in the Seasonal Credit Programme. This approval is based upon CODEC's and BCB's assessment of the society's managerial competence. The society could not act upon this approval because it had no manager to send to the seasonal credit training course. In the author's opinion, the approval granted to the Phitshane-Molopo Society expresses a lack of information and knowledge on the part of CODEC and the BCB of the society's present state.

There is currently a movement underway for members in the Mabule area to form a separate society. This has been prompted because of the distance from Mabule to Phitshane-Molopo and the society's low level of activity.

Recommendations

The society's principal need concerns the Committee. A General Meeting should be convened so that members' grievances can be voiced and new elections held. A General Meeting will probably not be convened by the Committee under its own volition. In this regard, agricultural extension personnel, CODEC officials, and the CFDA Co-ordinator might take the initiative. These people together should meet with the Committee. If the Committee fails to meet, individual Committee members should be contacted. The problems confronting the society and the Committee should be discussed and the convening of a General Meeting urged. Elections could then take place under CODEC supervision. Neither CODEC nor extension personnel can compel the Committee to hold elections. However, the CODEC/agricultural extension/CFDA Co-ordinator suggestion that they be held could, perhaps, be sufficient to motivate the Committee to hold them.

It is only after members' grievances are voiced and elections held that the society can take steps to improve its organisation and expand

its range of services. It then faces the imposing obstacles of overcoming member cynicism built up over the years of corruption and mismanagement, and the typical problems facing co-operatives in Botswana of lack of finance capital, shortage of skilled personnel, and the limited opportunities for investment in the country's rural economy. For the Phitshane-Molopo Society, slow progress should be expected. One can expect involvement in activities involving little managerial expertise or capital investment, such as livestock marketing and the distribution of agricultural inputs, before more complex and costly services can be provided.

CHAPTER V

THE MACHA MULTI-PURPOSE CO-OPERATIVE SOCIETY

Formation

The Macha Multi-purpose Co-operative Society was registered in 1973. Its formation was based on an existing Farmers Group. The organisational structure, geographic territory, leadership, and membership of the Farmers Group were simply transferred to the co-operative upon its registration.

The idea for a Farmers Group originated with the District Agricultural Officer (DAO.) for Ngwaketse/South in 1965. Its purpose was to market members' grain. The Farmers Group began to function after a three year organisational process promoted chiefly by the DAO.

The structure of the Farmers Group was identical to that of a co-operative society. Policy decisions were made by a committee voted into office by members. Daily operations were conducted by the committee in the absence of a hired manager. The Farmers Group however, was not registered with the Department of Co-operatives.

The Farmers Group hired transport to bring crops to buyers, usually to wholesalers in Lobatse. In the beginning, this was said to be a profitable operation. However, with growth in grain production in Botswana, the wholesalers turned to larger sources of supply and the price of grain was reported to have fallen. These occurrences made crop marketing unprofitable. As a consequence, in 1972 members changed their focus to livestock marketing and registered as a co-operative society for this purpose.

There was little apparent difficulty in organising the Macha Co-operative Society. An organisational framework already existed from the Farmers Group. CODEC officials conducted seminars in Mmathete explaining co-operative principles to Committee members and the public. These people in turn dispersed the information to others. With registration, the offices and storage facility, membership, and leadership of the Farmers Group were transferred to the society. Crop marketing was abandoned and the society concentrated on marketing cattle to the BMC.

There was no local opposition to registration. However, opposition was voiced by leaders of the Ngwaketse Co-operative Marketing Society based in Kanye who wanted people in Ngwaketse/South to belong to their society. Members of the Farmers Group believed Kanye to be too distant and established a separate society based in Mmathete.

Although the society was originally established to market cattle, the scope of its services has grown considerably. At present, it also

sells agricultural and livestock inputs and building materials, acts as an agent for BAMB, distributes ACPEP implements, participates in the Seasonal Credit Programme, and has recently opened a consumer shop in Mmathete.

Overview of Members and Non-Members

Membership in the Macha Society was reported to be 374 in 1981. Membership is drawn from the villages and lands areas of Mmathete, Metlobo, Kangwe, Magoriapitse, Mokamane, Cathwane and Digwana. Approximately one fourth of the total membership resides in Mmathete, with one half residing in the other villages. The remaining members were said to reside in Kanye and have their lands and/or cattlepost within Macha's jurisdiction.

As illustrated in Table 33, membership has risen though at a declining rate. No explanations were given for this slow rate of growth. It has been suggested however, that the manager has discouraged some people from joining. Again, no reason for this was given. No membership drives have been undertaken since registration.

TABLE 33

Membership in Macha Co-operative Society, 1976-1982

YEAR	MEMBERSHIP	PERCENT ANNUAL GROWTH IN MEMBERSHIP
1976	327	-
1977	342	4.5
1978	350	2.0
1979	367	4.8
1980	371	1.0
1981	374	0.8

Households Within Society's Jurisdiction

Table 34 presents estimates of the percentage of total households, farming households, and households owning cattle who are members and reside within Macha's jurisdiction. Within Macha's jurisdiction, there are an estimated 1424 total households, of which 1168 are farming households, and 1260 households own cattle. Of these, about 20 percent of all

households, 24 percent of farming households, and 22 percent of households owning cattle are members.

Sex of Members and Household Heads

Membership in the society is overwhelmingly male. Of the 374 members in 1931, 29 (7.7 percent) were female. Of these, 10 were reported to be married and belong to male headed households. Thus, 95 percent of the members are male and 5 percent (19) are female who can be assumed to act as household heads. According to Gulbrandsen, approximately 28 percent of total households in Mmathete were headed by men.²⁹

TABLE 34

Number of Households in Jurisdiction on
Macha Co-operative Society and Percentage Holding Membership

POPULATION NAME	NO. OF HOUSEHOLDS WITHIN SOCIETY'S JURISDICTION	% HOUSEHOLDS MEMBERS OF SOCIETY*	% HOUSEHOLDS MEMBERS OF SOCIETY**
Total population ¹	1424	26	20
Farm households ²	1169	32	24
Households owning cattle ³	1260	29	22

SOURCES: 1. Calculated from 1981 map in which each dwelling compound was assumed to be a household.

2. Ornulf Gulbrandsen, "Agro-Pastoral Production and Communal Land Use" (Gaborone: Government Printers, 1980), p. 6. Eighty percent of households in the Mmathete sample reported exploiting the option of arable farming.

3. Ibid.

* (Including members resident in Kanye). Defined assuming one quarter of members said to have permanent residence in Kanye are included as residents within geographic jurisdiction of Macha.

** (Excluding members resident in Kanye). Defined assuming Kanye members do not reside in Macha's jurisdiction. Percentage coverage based on 280 members.

Age of Household Head

As is the case the previous two societies, members of Macha are more likely to have households with older heads. Approximately 70 percent of member households have heads over 50 years of age, compared with 57 percent for non-members. Five out of the six Committee members interviewed were over 50 years of age.

TABLE 35

Age of Household Heads: Non-members, Members, and Committee Members

AGE	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
30	3	10	0	-	0	-
31-40	9	30	6	16	0	-
41-50	4	13	5	14	1	17
51-60	5	17	10	27	3	50
61-70	6	20	9	24	2	33
70	3	10	7	19	0	-
Total	30**	100*	37	100*	6	100*

* Totals may not add up to 100% because of rounding.

** Missing data, 7 cases.

Level of Education

The level of education is generally greater for members than non-members and that found among the general population. In contrast to the other co-operative societies, in this case, Committee members exhibit a lower level of education than the General Membership. As indicated in Table 36, 81 percent of the members have had at least some formal education. Forty-six percent of the non-members interviewed and 42 percent of the total population in Mmathete have attended school. Three of the six Committee members interviewed have had no formal education and only one has gone further than Standard Three. Reasons for the low level of education among Committee members are not readily apparent. However, it may be associated with the members chosen in the recent elections which substantially altered the composition of the Committee. The educational level of past Committee members is not known.

TABLE 36

Level of Education: Non-members, Members, and Committee Members

LEVEL	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
None	19	54	7	19	3	50
Standard 1-3	10	29	13	35	2	33
Standard 4-6	6	17	12	32	1	17
Form 1-3	0	-	4	11%	0	-
Form 4-6	0	-	1	3%	0	-
Above	0	-	0	-	0	-
Total	35**	100*	37	100*	6	100*

SOURCE: Marcia Odell, "Planning for Agriculture in Botswana", p. 4. Petotshetlha survey site.

* Totals may not add up to 100% because of rounding.

** Missing data 2.

Sources of Wealth and Livelihood

Table 37 presents information on the relative importance of varying sources of livelihood. Evidence indicates that agricultural activities are of slightly more importance to members than non-members while they are of primary importance to Committee members. Fifty-two percent of non-members and 58 percent of members indicated arable agriculture or livestock to be their most important livelihood source. For Committee members, all 6 interviewed gave arable agriculture or livestock as their primary source. Non-agricultural sources play a more significant role for non-members accounting for the primary income sources for 48 percent of those interviewed.

Levels of Wealth

Members tend to be slightly wealthier than non-members. It is illustrated in Table 38; 26 (74 percent) of members interviewed were classified as 'rich' or 'moderately rich' compared to 20 (54 percent) of non-members. All 6 Committee members interviewed were classified as 'rich' or 'moderately rich' with 3 falling into each category.

TABLE 37

Relative Importance of Various Sources of Livelihood:
Non-members, Members, and Committee Members of
Macha Co-operative Society

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
<u>Primary Source</u>						
Arable agriculture	5	15	9	25	3	50
Livestock	12	37	12	33	3	50
Remittances	2	6	7	14	0	-
Wages	7	21	5	19	0	-
Other	7	21	3	8	0	-
Total	18	100*	34	100*	6	100*
(Missing 4)						
<u>Secondary Source</u>						
Arable agriculture	3	17	10	29	2	33
Livestock	4	22	17	50	2	33
Remittances	3	17	4	6	1	17
Wages	1	6	2	12	0	-
Other	7	39	1	3	1	17
Total	18	100*	34	100*	6	100%
<u>Third Source</u>						
Arable agriculture	6	85	7	33	0	-
Livestock	1	14	5	24	2	100
Remittances	0	-	7	33	0	-
Wages	0	-	0	-	0	-
Other	0	-	2	10	0	-
Total	7	100*	21	100*	2	100*

* Totals may not add up to 100% because of rounding.

TABLE 38

Levels of Wealth: Non-members, Members, and Committee Members of Macha Co-operative Society

LEVEL	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
Poor	7	19	1	4	0	-
Moderately poor	10	27	8	22	0	-
Moderately rich	18	49	18	51	3	50
Rich	<u>2</u>	<u>5</u>	<u>8</u>	<u>23</u>	<u>3</u>	<u>50</u>
Total	37	100	35*	100	6	100

*Two missing cases.

Agricultural Practices

Compared to non-members, evidence indicates that members of the co-operative place a greater significance on arable activities, are slightly more likely to plough, to own agricultural implements and draught power, to use more progressive agricultural techniques, and to have a more commercial orientation to their arable production.

Non-members tend to be more subsistence oriented in their arable activities though a surplus is sold when available. Most of those who ploughed owned their own draught and implements, but close to one third had to obtain draught outside their household.

All of the Committee members interviewed are commercial agriculturists with the largest harvests among the sample populations. They all ploughed with their own cattle or tractors and are well endowed with agricultural implements. (Additional information on agricultural practices is available in Appendix III).

Ownership and Sale of Cattle and Smallstock

Members are more likely than non-members to possess both cattle and smallstock. Ownership of both is greatest among the Committee. Thirteen (33 percent) non-members surveyed owned smallstock. In contrast, 32 (86 percent) of the members owned smallstock as did all of the Committee members. (See Table 40). All Committee members and members interviewed held cattle. Eighty-five percent of the general population and 67 percent of the non-members are reported to be cattle owners. (See Table 41).

TABLE 39

Number Who Ploughed in 1980/81 Agricultural Season:
Non-members, Members, and Committee Members
of Macha Co-operative Society

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
Yes	20	54	23	62	6	100
No	<u>17</u>	<u>46</u>	<u>14</u>	<u>38</u>	<u>0</u>	<u>-</u>
Total	37	100	37	100	6	100

TABLE 40

Smallstock Ownership: Non-members, Members, and Committee Members
of Macha Co-operative Society (Goats and Sheep)

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
Yes	3	33	32	86	6	100
No	<u>24</u>	<u>67</u>	<u>5</u>	<u>14</u>	<u>0</u>	<u>-</u>
Total	37	100*	37	100*	6	100*

* Totals may not add up to 100% of rounding.

TABLE 41

Cattle Ownership: Non-members, Members, and Committee
Members of Macha Co-operative Society, and General Population

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS		GENERAL POPULATION	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Yes	25	68	37	100	6	100	-	85
No	<u>12</u>	<u>32</u>	<u>0</u>	<u>-</u>	<u>0</u>	<u>-</u>	<u>-</u>	<u>15</u>
Total	37	100*	37	100*	6	100*	-	100

* Source: Olnulf Gulbrandsen, "Agro-Pastoral Production and Communal Land Use".

Little difference exists between the three groups on the sale of smallstock. Although the co-operative had irregularly marketed smallstock to the BMC, no member reported that he/she sold smallstock through this outlet. Most smallstock transactions were between neighbouring villagers and for only a few head.

Members market cattle more often and sell more beasts when they do so. Of the 14 non-members interviewed who sold cattle, all sold four beasts or less, averaging 1.5 per person. Most transactions were with other villagers. Twenty-four members indicated that they had sold cattle. Although most sold four head or less, the average number sold per member was 4.8. Four out of the six Committee members interviewed sold cattle with only one selling more than 4 beasts. (See Table 42).

TABLE 42

Number, Distribution, and Outlet of Cattle Sold in Previous Year: Non-members, Members, and Committee Members of Macha Co-operative Society

OUTLET	<u>Non-members</u>		
	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	4	9	2.25
Butcher	0	0	0
Auction	0	0	0
Co-operative	0	0	0
Other*	<u>10</u>	<u>13</u>	<u>1.3</u>
Total	14	22	1.5

* Villagers

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	12	16
3-4	2	6
5-6	0	0
7-8	0	0
9-10	0	0
11-15	0	0
15+	0	0
Total	<u>14</u>	<u>22</u>

(continued)

(Table 42, Number, Distribution, and Outlet of Cattle, cont.)

Members

OUTLET	NO. OF PEOPLE SELLING THROUGH OUTLET	NO. OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	1	28	2.8
Butcher	0	0	0
Auction	2	2	1.0
Co-operative	18	66	3.4
Other*	<u>3</u>	<u>20</u>	<u>6.9</u>
Total	24	116	3.8

* 2 people sold directly to BMC for a total of 17 head.
1 person sold 3 head to another villager.

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	11	15
3-4	6	20
5-6	3	17
7-8	0	0
9-10	2	20
10+	<u>2</u>	<u>44</u>
Total	24	116

Committee Members

OUTLET	NUMBER OF PEOPLE SELLING THROUGH OUTLET	NUMBER OF LIVESTOCK SOLD IN EACH OUTLET	AVERAGE NO. LIVESTOCK PER TRANSACTION
Agent	1	307	307
Butcher	0	0	0
Auction	0	0	0
Co-operative	3	7	2.3
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total	4	314	79

(continued)

(Table 42, Number, Distribution, and Outlet, cont.)

DISTRIBUTION	NO. OF TRANSACTIONS	NO. OF LIVESTOCK
1-2	2	3
3-4	1	4
5-6	0	0
7-8	0	0
9-10	0	0
10+	<u>1</u>	<u>307</u>
Total	4	314

Membership in Other Groups and Institutions

Member households are far more likely to be involved in other formal groups and institutions than non-members. Table 43 indicates that only three non-member households had any institutional involvement. None held an elected office. None of the groups are agricultural related. Of members, 24 (65 percent) participate in groups besides the co-operative, nine (24 percent) are involved with agricultural related groups, and six members (16 percent) hold an elected office.

All Committee members interviewed participated in other institutions. Four were involved in agricultural groups, and one held an elected office.

TABLE 43

Membership in Other Groups/Institutions:
Non-members, Members, and Committee
Members of Macha Co-operative Society

	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS	
	Number	Percent	Number	Percent	Number	Percent
Yes	3	8	24	65	6	100
No	<u>34</u>	<u>92</u>	<u>13</u>	<u>35</u>	<u>0</u>	<u>-</u>
Total	37	100*	37	100	6	100
Holding office	0		6	16	1	17
Membership in agricultural related group	0		9	24	4	67

Structure

Financial Position

Table 44 presents data on the society's recent financial trends. It indicates that financial performance has been erratic, although a positive net surplus has consistently been achieved. It has only been the commission and handling payments received as a BAMB agent that have consistently yielded a net surplus. Other sales have run at a consistent loss. A major reason for this erratic performance has been the drastic changes in the number of cattle marketed by several owners of large herds. They sold cattle through the co-operative in 1979 but did not do so in 1980, claiming that the society's commission was too high. They found it more profitable to market cattle to the BMC by alternative means.

The largest components of the society's sales by value have been cattle and agricultural inputs. However, in 1980, both yielded net losses. In that year, cattle sales were a net loss of P5337 and the sale of building materials was a gross loss of P152.

Share capital and average share holding per member have also been variable, despite the steady increase in membership. In 1978, total share capital stood at P5185 averaging P15 per member. In 1980, total share capital dropped to P3461 of an average of P9 per member. For the years in which data were available, members' deposits have changed little. Deposits were P2817 in 1979 and P2642 in 1980. They are selectively insignificant sources of financial capital in light of that necessary to undertake investments of any magnitude (see below). No attempts to promote member deposits were reported. Reserves have risen steadily due to the consistent achievement of a positive net surplus.

The society has recently established a consumer shop in Mmathete. To do this, the society has obtained a P90,000 loan from the BCB at an annual interest rate of 14 percent. Insufficient time has passed to assess the financial viability of this move.

Role in Local Economy/Services

Evidence indicates that the Macha society is fulfilling several functions in the local economy. These appear to be the creation of competition in the local economy (which helped increase the selling price of cattle), its role as the area's prime outlet for crop sales as a BAMB agent, and at the time of this writing acting as the only distribution point in the area for ALDEP implement packages, seasonal credit, building materials, and agricultural inputs.

Livestock Marketing. Evidence suggests that Macha is the primary outlet for the export sale of cattle within its jurisdiction but is not the marketing channel that people most prefer. As illustrated in Table 45, the co-operative markets almost three times the number of cattle as the local trader. With only one other major trader in the region

TABLE 44

Trading Results and Financial Indicators:
Macha Multi-purpose Co-operative Society

	1980	1979	1978	1977	1976
Livestock					
Number of cattle sold	287	555	397	535	552
Gross value	P 54535	P 98855	P 63225	P 95952	P 92795
Number of smallstock	43	-	-	59	97
Gross value	P 1295	-	-	P 991	P 1796
Other sales					
Livestock inputs	P 720	P 1051	-	-	
Building materials	P 1362	P 2232	P 2339	P 159	
Crops	P 992	P 4888	P 478	-	
Vaccines	P 166	P 95	P 1488	P 1062	
Agricultural inputs	P 1740	P 1838	P 8	P 1195	
Total	P 4980	P 10104	P 4313	P 2416	
Total net value of sales	P 59240	P 105031	P 66733	(estimates)	
Gross surplus	P 2315	P 4094	P 3497	P 4280	
Gross surplus/sales	3.8%	4.0%	5.2%	(estimates)	
Net surplus/(loss)					
Livestock	P (5333)	P (1446)	P (1861)	P 481	P 859
Other sales	P (145)	P (821)	P (245)	P (585)	P 1340
BAMB Commission	P 2123	P 1844	P 1569	P 1084	-
BAMB handling & storage	4253	4724	-	-	-
Total	P 1480	P 6922	P 2002	P 1398	P 1944
Net surplus/sales	2.5%	6.4%	3.0%		
Share capital	P 3461	P 3417	P 5185	P 3607	P 4699
Average shareholding per member	P9	P9	P15	P10.5	P14
Deposits	P 2642	P 2817			
Reserves	P 4329	P 3959			
Reserves/sales					
Employees	7				
Physical Assets:	offices; warehouse; storage facility, consumer shop				

purchasing cattle and with auctions in Mmathete taking about 5 percent of the local offtake, Macha is the area's most important marketing channel.* However, this is probably due to the society's extensive geographic coverage, which is much larger than the catchment area of other purchasers of cattle. If other buyers are available, they are probably preferred over co-operatives. This is indicated in Table 46 in data collected by Gulbrandsen. In Mmathete, a trader in the village was the largest receiver of cattle taking 38 percent of the cattle sold. The co-operative is next with 24 percent. In total, 76 percent of the cattle in Mmathete were sold through non-co-operative channels.

Although Macha's prices are higher than prices available elsewhere, the difference is not substantial. This is indicated in Table 45 where the co-operative's price advantage averaged only P9 and P19 over the village trade. This differential is further narrowed when the co-operative's

TABLE 45

Figures on Cattle Bought by a Trader and Macha Co-operative (Mmathete)

	CO-OPERATIVE			TRADER			DIFFERENCE BETWEEN CO-OP AND TRADER (ave. prices)
	Number of Cattle	Total Value	Ave. Price	Number of Cattle	Total Value	Ave. Price	
1/7/75 - 30/6/76	520	P75748	P 146	178	P24633	P 138	P 8
1/7/76 - 1/10/77	617	P102329	P 165	101	P14728	P 146	P 19

SOURCE: Gulbrandsen, "Agro-Pastoral Production and Communal Land Use", p. 154.

* This trader is also a member of the co-operative. He frequently marketed the cattle purchased from villagers through the society. This constituted a large percentage of its total cattle sales. He stopped selling cattle through the co-operative after 1979. This resulted in a large decline in the total number of beasts handled by the co-operative.

TABLE 46

Receivers of Cattle Sold by the Farmers

	NUMBER OF CATTLE	PERCENT
Trader in village (near by)	33	38
Speculators	10	12
Auctions	4	5
Other tribesmen	18	21
Co-operatives	<u>21</u>	<u>24</u>
Total	<u>86</u>	<u>100</u>

SOURCE: Gulbrandsen, "Agro-Pastoral Production and Communal Land Use", p. 153.

TABLE 47

Number and Distribution of Cattle Marketed by Macha Co-operative

NUMBER OF CATTLE SOLD BY PERSON	NUMBER OF TRANSACTIONS	PERCENT OF TRANSACTIONS	NUMBER OF CATTLE	PERCENT OF CATTLE
1	38	32.2	38	6.8
2	28	23.7	56	10.1
3	15	12.7	45	8.2
4	8	6.7	32	5.7
5	8	6.7	40	7.3
6	4	3.4	24	4.3
7	5	4.2	35	6.2
8	0	-	0	-
9	0	-	0	-
10	3	2.5	30	5.3
11-15	6	5.1	76	13.7
15+	<u>3</u>	<u>2.5</u>	<u>172</u>	<u>33.2</u>
Total	118	100.0	548*	100.0

SOURCE: Livestock Instruction Sheets and Kill Sheets, Macha Co-operative.

* According to the 1980 Audit Report, Macha marketed 555 cattle in 1979. Because of difficulties examining Livestock Instruction Sheets and Kill Sheets, the exact number of cattle marketed could not be obtained. These figures should be taken as indicators rather than as precise statistics.

handling charges are deducted. There is little net economic advantage in selling cattle through the co-operative. What the co-operative has done is to generate competition in the local cattle market which has forced the local trader in Mmathete to raise his prices significantly.³⁰

As illustrated in Table 42, the average number of cattle marketed per members was 4.8. Of the 24 who sold cattle, 17 sold between one to four for a total of 35. Four members sold nine or more, accounting for 66 of the sample total of 116. Six members interviewed sold cattle outside of the co-operative. Most Committee members sold between one-four beasts, with one member marketing 307 through an agent.

Table 46 indicates a similar trend. In 1979, approximately 118 members (32 percent) sold 548 beasts. Sixty-six members sold one or two head, for 94 beasts, or about 17 percent of the society's total. Nine members sold 11 head or more for 248 beasts, or about 47 percent of the total.

BAMB Agent. The service provided by Macha as a BAMB agent is of vital importance to the local agricultural economy. It is the area's primary formal outlet for the sale of arable produce. Information from interviews indicates that the co-operative is the leading 'buyer' of arable produce from both members and non-members. The sale of crops to other villagers was listed as second. In 1980, Macha transferred 17,000 bags of food crops to BAMB, and 26,686 bags in 1981. For this service, Macha receives payment for handling costs and a commission from BAMB. As earlier discussed, these payments have given the society its only consistent source of net surplus.

Credit. Macha is the only distribution point within its jurisdiction for ALDEP implement packages. Macha began to distribute ALDEP implements in 1980. In that year 15 cultivator and planter 'packages' were distributed, of which six were taken by members. Twenty-six were distributed the following year, along with two ploughs and harrows. None were taken by members. The society has not actively promoted ALDEP distribution.

Beginning in 1980, Macha was accepted by CODEC and the ECB to participate in the Seasonal Credit Programme. In that year, nine seasonal loans were given to 10 applicants, totaling P2711.20. At the time of writing, three loans have not been paid. The society's Credit Committee has yet to take steps to force payment. Though this programme is currently operating at a small scale, it will probably increase in the future as information about this programme is further disseminated.

Services Utilised. Grain and livestock marketing are the services most commonly utilised by members. Approximately 60 percent of members interviewed stated that they marketed grain and 75 percent marketed livestock through the co-operative. In practice however, the figures appear to be lower.

In the 1980/81 agricultural season, only seven members (16 percent) interviewed marketed grain through the co-operative. Of the 23 who ploughed that year, nine did not sell any produce while six sold produce only to other villagers.

As is the case with the other societies under consideration, a relatively small percentage of the membership sells cattle through the Macha society in any given year. Of those who do sell, most market only a few beasts while several members market many.

Structure and Capacity of Management

It is the author's opinion that, at present, the managerial strength of Macha lies primarily with its manager. The General Membership has little input into the running of the society. The present Committee, only recently elected into office, appears to be competent, though lacking experience and knowledge of co-operative principles. It appears that due to her long working experience with the co-operative, extensive training, and force of personality, the guidance of the society and direction of its daily operations are left to the manager.

Manager

The manager was born in Kanye in 1942 and has long been a resident of Mmathete. She first came into contact with the co-operative when she volunteered as assistant-secretary to the Farmers Group. When Macha was registered in 1973, she was employed as the society's secretary and book-keeper. In 1976, she was hired as the society's first manager.

The manager has had much training for her position. Since 1969, she has attended courses annually on a variety of topics including a six month managerial course in Ireland in 1979.

She has no particular complaints regarding her personal working conditions. Her annual salary of P3360 is considered satisfactory, though she stated that the society presently cannot afford to pay more. It is her only source of income as a single woman.

Almost all of the co-operative's activities appear to be dependent on the manager alone. Operations virtually cease when she is not present because of insufficient knowledge, training, and perhaps motivation of other employees. The manager's present responsibilities are demanding with seemingly little ability for her to take on more.

At present, the manager and Committee are on good working terms, though this has not always been the case. The manager and the previous chairman came to bad terms around 1980. The manager threatened resignation if the situation was not rectified. The specific causes of this situation are unclear but according to the manager, the chairman sought to break co-operative by-laws in seeking payment for his position, to obtain advances, and, to dissolve the society to establish a separate

society at Kangwe.* The manager stated that the chairman persuaded other Committee members to support him in opposition to her, as she was said to be the only person to oppose the chairman's alleged disregard of co-operative by-laws.

As an employee of the society, the manager is subject to dismissal by the Committee. Placing herself in opposition to the Committee could have forced the manager into a position of a forced resignation or dismissal. In any event, CODEC officials were called in and the disputes were apparently resolved. Except for several members, a new Committee was elected in March 1981.

Committee

The Committee remained virtually the same from the society's registration until March 1981. Apparently, the General Membership kept electing the same people into the Committee. It appears that in a response to problems between the previous chairman and manager, the chairman decided against running again for office. Upon his resignation, virtually an entire new Committee was elected.

The present Committee appears competent but its members seem to lack experience and knowledge of co-operative principles. Only two of the present members served on the Committee prior to March 1981. The others have little experience in guiding the society, and, as shown earlier, have generally not held elected offices in other organisations. Three of the six members interviewed had never attended school. None have received training of any kind from CODEC.

General Membership

The General Membership has little knowledge of the society's affairs or input into its control. Although general meetings have been called regularly, attendance is low. This is illustrated in Table 47. As a consequence, members cannot be informed of the society's activities or actively participate in decision making.

Additional evidence indicates members' lack of knowledge of their society or participation in its affairs. Over 78 percent of members interviewed did not vote in the past elections. The most common responses for not voting were that members were not aware that elections were to take place or else were away at the time they were held. Although almost half thought the Committee was managing the society well, almost 90 percent did not know who the Committee members were.

* The DAO denied that plans are underway to establish a new society at Kangwe. He maintains that BAMB is seeking to establish a lock-up facility there instead.

TABLE 48

Attendance at General Meetings: Macha 1976-1980

YEAR	NUMBER OF GENERAL MEETINGS	AVERAGE ATTENDANCE	PERCENT OF MEMBERSHIP
1976	2	50	15.3
1977	3	52	15.2
1978	1	55	16.7
1979	2	39	10.6
1980	1	N/R	-

Relations with Apex Organisations, Agricultural Extension, District Council, and BAMB

Macha's prime contact with the 'apex' organisations is through CODEC's quarterly inspection and annual audit. The society also receives assistance and supervision from officers of the BCB and CODEC's Banking and Credit Section because of its involvement with ALDEP and the Seasonal Credit Programme. There is no regular schedule of visits by these officers to the society, though their frequency was said to increase when farmers begin to plough and the demand for ALDEP implements and seasonal credit is the highest. The society has dealt with the BCU to acquire stocks of building materials and to represent the society in its dealings with the BMC. No complaints were lodged by the society against any of the 'apex' organisations.

Macha's relations with the agricultural extension services have varied. A former District Agricultural Officer (DAO) was responsible for the start of the original Farmers Group. His successor maintained involvement with the society through promotion of its registration and regular attendance at its meetings. The next DAO however ceased involvement saying that the co-operative was a private organisation and could not be assisted through agricultural extension. No regularised extension contact has continued since. At present, a wide personal gulf separates the present DAO for Ngwaketse/South and Macha's manager. The nature of this separation is not clear.

There has been no systematic contact between Macha and the Southern District Council. Informal contact can be made through two local Councillors who are members of the society.

The only other organisation with which Macha has regular contact is BAMB. As a whole, relations between BAMB and Macha are good. But much grain was left outside and destroyed by weather and pests. BAMB is responsible for this financial loss.

Future Plans and Perceptions

Much of the recent time and energy of the manager and Committee has gone into organising its consumer shop. The added constraints which this will put on the already over-burdened manager together with the society's inability to hire more personnel and need to service the loan used to construct the consumer shop will severely limit the society's ability to take on additional activities.

The service most desired by members interviewed was expanded credit facilities. The second was spare parts for farming implements. According to the manager spare parts can be supplied through the society's shop. However, she does not believe that the society should handle forms of credit other than ALDEP and seasonal loans. Her first reason against expanded credit facilities was the co-operative's lack of trained personnel. Expanded credit distribution involves more work than the society's employees could handle. The society lacks the finance to employ additional help. The second reason concerned the burden of debt placed upon the society as a result of possible loan default. The society would be more interested in expanded forms of seasonal credit, if arrangements could be made for Government to bear the additional burden of risk.

There are two other points of concern which should be noted. Macha has become dependent on funds received as a BAMB agent as its principal source of revenue, though this dependence may lessen if its consumer shop is profitable. As previously discussed, heavy dependence on grain marketing can be risky. Bad harvests could financially cripple the society.

The Southern Region Development Association (SRDA), is constructing a site in Mmathete where it will build and sell building materials. It will be in direct competition with Macha. Because SRDA receives much donor assistance, it can probably sell these materials at prices diverting business away from Macha as a result below the co-operatives price.

Recommendations

Because Makgomane is the only CFDA village served by Macha, and because Mmathete is so distant from the CFDA, the co-operative will have little involvement in CFDA development activities.

There are no specific policy suggestions for Macha. The co-operative should probably continue along its present course. Steps however, should be taken by the Regional Agricultural Officer and for District Officers to bring about closer contact between Macha and local agricultural field service personnel.

CHAPTER VI

SUMMARY OF FINDINGS

This chapter presents summaries and compares findings on the three co-operative societies and to the extent possible, generalizes the overall results of the study.

Formation

The process of organisation leading to the registration of the three societies was quite similar in that in all three cases it involved considerable effort on the part of the local population, often in conjunction with agricultural field service personnel. In all three cases the Department of Co-operatives played an advisory role rather than actively promoting co-operative formation. The initiative and commitment of the local population appear to have been significant. As a consequence the organisational process took several years to complete but resulted, at least initially, in strong membership commitment. Over time however, membership commitment and participation have generally declined in all three societies.

The effort to organise a society in each case was spearheaded by a core group of interested villagers. This core group included local leaders, Councillors, tribal authorities, and relatively prosperous agriculturalists, who are generally wealthier than the area norm. In each case, these individuals continued to hold strong leadership positions in the societies after registration.

A co-operative officer would explain co-operative principles and organisation to the core group and occasionally to villagers. The core group in turn would organise meetings in villages to explain co-operative principles to the public and to urge their participation. In each case the society was explained to the public as a means of marketing for higher prices than could be obtained from exploitive traders, agents, or auctioneers.

Agricultural extension personnel worked in conjunction with the founding members. They dispersed information on co-operatives and explained co-operative principles. Though extension personnel were active in the societies' formation, the relations between agricultural extension and the co-operatives quickly receded to sporadic and occasional contacts.

Two of the three societies were based upon previous groups whose primary purpose had been to market grain. In one case these groups had been quite successful and the society was accordingly easy to organise. The organisational framework was already in place and member enthusiasm

was quite high. The society based on less successful groups was slower to form; people showed some reluctance to 'try again' and registration was more difficult.

Overview: Members and Non-Members

Membership

Membership varied considerably. The Phitshane-Molopo Society has 171 members; Ikageng/Baralong, 277; and Macha, 374. In each case, membership is drawn from several villages over a wide geographic area. This is because of the necessity of reaching a sufficiently large membership to achieve profitability and efficiency in the provision of services. The villages tend to form natural units in terms of proximity, ethnic similarity, and existing lines of transport and communication. However, because the co-operatives do incorporate several villages over wide areas, they have serious problems with internal communication.

Membership in the societies has generally risen, though the rate of increase has declined in recent years. When membership has declined it has been for short periods in response to mis-management.

After initial registration, membership drives have not been undertaken. Instead, people join the societies on their own initiative. Most first hear about the co-operative by word of mouth and occasionally through contacts with Agricultural Demonstrators.

Households Within Societies' Jurisdictions.

It is difficult to estimate the number of households residing within a co-operative's geographic jurisdiction who are members. This is due to a lack of population data, variations in household definitions, and, in the case of the Macha Society, a considerable number of members who reside outside of the society's jurisdiction but who have lands and/or cattle-posts within it.

These difficulties notwithstanding, one can derive a rough estimate by assuming that each member represents a household. If this were true, each society would involve between 11 and 20 percent of the households in their jurisdictions.

Sex of Members

Membership in all three societies is comprised overwhelmingly of men. Committee members are almost exclusively men. When women are members, they are often married and members of male headed households. Assets (i.e. cattle) and agricultural activities of households in Botswana have traditionally been under the control of men. The degree of male control has tended to increase with growing agricultural commercialisation. Since most co-operatives provide services relating only to these activities, men

tend to be more attracted to membership. In addition, the proportion of female headed households which own no cattle is significantly greater than the proportion of male headed households.³¹ There are thus fewer women who have an economic motivation for membership. No discernable social or economic differences were apparent between the male and female members in any of the societies.

Age

In these societies, members tend to be older than heads of non-member households, with a majority coming from senior households whose heads are over 50 years of age. This is largely due to the time required to accumulate cattle within the household.³²

For two cases, Committee members also tended to belong to senior households, probably because traditional leadership is often vested with community elders. In the society where this was not the case (Ikageng/Barolong), younger men apparently attained Committee membership because they have more formal education.

Level of Education

The level of education is greater among members than non-members, and in two of the three cases is highest among Committee members. Between 20-47 percent of members interviewed have had no formal education. For those members who have attended school, most have completed Standard 3 or less. Among non-members interviewed, 53-60 percent have had no formal education.

The Macha Society presents an interesting exception. Committee members, on average, are less educated than the general membership. There is no apparent explanation for this, especially since in the Ikagene/Barolong Society, education appeared to outweigh age as a determinant of Committee membership. However, this may be associated with the recent changes in the composition of Macha's Committee. The educational level of Macha's past Committee members is not known.

Sources of Wealth and Livelihood

Members are typically more heavily dependent on agricultural activities than are non-members. Cultivation or livestock were overwhelmingly given as members' primary and secondary sources of livelihood. For non-members, income sources were more diverse with wages, remittances, and other forms of non-agricultural income assuming greater importance. This indicates that people who have the most to gain from the co-operatives, i.e. those who hold livestock and practise arable agriculture, are most likely to join. Non-members' main economic interests lie elsewhere and therefore they have little incentive to join.

Levels of Wealth

Members are generally wealthier than the general population although wide variations in wealth exist among them. Non-members appear to be

slightly less well-off than the general population. In all three societies Committee members had the highest levels of wealth among those interviewed.

Agricultural Practices

Members were more likely than non-members to plough in the 1980/81 agricultural season. They possessed more agricultural implements and draught animals. Fewer non-members, even those who ploughed, owned draught animals. They often obtained draught power on a commercial and/or lending basis.

Virtually all Committee members interviewed ploughed in the 1980/81 agricultural season. All of those who ploughed possessed sufficient draught power within their households, ploughing either with cattle or tractors. All were well endowed with agricultural implements.

Among the ploughing households, the use of progressive agricultural techniques, such as row planting and commercial fertilizer, was much more common among members. In addition, average output was usually greater than that of non-members. Partly as a result members have a stronger commercial orientation, with more selling arable produce, in greater average quantities. The use of progressive agricultural techniques, high average output, and a commercial orientation was especially a characteristic of Committee members.

Possession and Sale of Smallstock and Cattle

Members also own more smallstock (goats and sheep) than non-members. Committee members possess even more. For example, in the Macha Society, out of 86 percent of members interviewed, 32 percent of non-members, and all Committee members possessed smallstock. Surprisingly, however, in the Ikageng/Barolong Society smallstock ownership among Committee members (21 percent) was far less than that among regular members (78 percent).

The sale of smallstock was infrequent for all societies and among non-members. Most transactions were for a few head and were with other members of the community. The Macha Society did market smallstock to the BMC, but its volume of smallstock trade was low and irregular.

Almost all co-operative members own cattle. The lowest frequency of member cattle ownership was reported among the Phitshane-Molopo Society at 94 percent. In all cases, cattle ownership among members was greater than among non-members, which usually approached or fell slightly below the average for the general population within each co-operative's area. All Committee members interviewed are cattle owners.

Co-operative members are more likely to sell cattle, and, when they do, to sell more beasts. According to survey data, between 26 percent to 57 percent of the non-members holding cattle sold beasts in 1981. On the average, between 1 and 1.6 beasts were sold per household. In contrast, between 60 percent and 70 percent of members who possess cattle sold

beasts in 1981 averaging just over three per household. Nearly all Committee members sold cattle, usually in numbers averaging well above both members and non-members.

Membership in Other Groups and Institutions

Non-members had little involvement in groups or institutions of any kind. In contrast, usually close to 65 percent of member households interviewed were involved in other groups besides their own co-operatives. Almost all Committee member households participated in other groups and often held leadership positions.

There were no apparent linkages between the co-operatives and other institutions apart from common membership. There has been no participation in joint projects or formalised communications between them.

The reasons for the greater institutional involvement of members and greater frequency of holding leadership positions appear to parallel the reasons for membership in co-operatives; holding more productive assets and ploughing more often, members seemingly have more to gain from belonging to agricultural production related groups of all kinds. They seek leadership positions in the hope of steering these groups in directions that would be to their advantage.

Sources of Net Surplus

The Phitshane-Molopo Society has been operating at a net loss. Positive net surpluses have consistently been generated by both the Macha and the Ikageng/Barolong Societies though the level of surplus has been quite variable. Based on information collected from audit reports, cattle marketing and the sale of agricultural and livestock inputs and building materials, usually the 'core' activities of most co-operatives in Botswana, have generated little, if any, surplus for either society. The bulk of their profits have been from other activities. For example, the most stable income for Macha has been payments for acting as an agent for BAMB. The largest source of revenue for Ikageng/Barolong has been the sale of fuel. Neither are services traditionally associated with the co-operatives nor is their use limited to members. This may imply that the co-operatives need to be involved in activities which are available to the public at large and not just reserved for members to better assure their financial viability.

Most services provided by the three co-operatives have generated limited and variable revenues. Reasons for this are: limited turnover of goods sold and cattle marketed, wide changes in the number of cattle marketed (with constant and/or increasing recurrent and variable costs), and restrictions on allowable service charges. Low or negative profits limit dividends to members and allocations to reserve funds, and leave little for expansion. They also limit the ability to attract and retain skilled managers, which in turn hinders expansion into new activities. Low and variable surplus also reduces societies' ability to purchase shares and make deposits with the Botswana Co-operative Bank, inhibiting the creation of a revolving credit source for the movement as a whole.

Finance Capital

The societies' share capital holdings were growing, though not in proportion to membership. Average shareholdings per member tended to be below the P10.00 minimum. This indicates that most members have not paid their shareholdings in full, and that few, if any, are purchasing more than the minimum requirement. There are several explanations for this. The most common is that members cannot afford to purchase many shares. While this is true, it fails to explain why wealthier members and Committee members usually possess only the minimum shareholdings. Additional explanations are in order. First, there appears to be a lack of understanding of the purpose of share capital. It is commonly seen simply as a 'membership fee' which people are required to pay in order to receive the services of the co-operative. It is not widely understood as a basic source of capital for the society on which they receive an interest payment. Second, none of the societies examined have pursued members to purchase additional shares beyond the minimum requirement. Third, and most important, it would appear that there are more attractive alternatives. Investment in livestock, arable agriculture, or bottle stores is generally considered more important and more profitable than the returns on share capital. Deposits are low. There are several explanations for this. First, as with share capital, members have not been encouraged to make deposits. Second, there is no regular flow of cash to the rural population. For most people, cash is obtained in 'lumps', as when a crop or a beast is sold, and is often used to satisfy a pressing cash need. There is little left over for deposits with a co-operative. In addition, the rural population has little experience with banking. Those that do bank are more likely to do so through alternative agencies such as post offices or commercial banks.

It is co-operative policy that societies be allowed to receive loans only at commercial interest rates. This is done in the belief that commercial interest rates would force societies to scrutinise investments carefully so that their profitability will be insured and the co-operatives' financial independence maintained. 'Cheap' capital is thought to lead to less carefully planned investments that are more likely to result in financial loss. Whatever the merits of this argument, the net result is that the cost of borrowing money is high and co-operatives' expansion is slowed.

Services Provided, Services Utilised, and Role in Local Economy

The services provided by co-operatives are restricted only by the societies' capability to effectively manage them and by the requirement that they cover their own costs. Botswana's rural economy cannot yet support a broad range of co-operative services and investments. The rural population is sparse, poor, and has little purchasing power. Competition from South African manufacturers is keen. The semi-arid climate and unpredictable rainfall patterns make agricultural investment risky. As a consequence, co-operatives in Botswana have generally confined their

activities to the wholesaling and retailing of consumer goods (obtained largely from South Africa) and the marketing of livestock.

Livestock Marketing

The owners of small herds typically lacked the finance, sophistication, and number of livestock to market beasts directly to the BMC or to hire an agent to do so. As a result, they faced only local buyers, such as speculators and traders, or sold at auctions. They sold at prices far below those paid by the BMC. Co-operatives intended to break these local monopsonies in cattle trade to allow the small holder to sell directly to the BMC.

The usual reason advanced for people marketing livestock through co-operatives is better prices. Co-operatives' prices are generally higher than others but the price differential is small. What co-operatives have done is to increase the outlets available to owners of small herds. This has increased competition in local markets and forced buyers to bid up prices.

At the same time there are several disincentives for marketing livestock through co-operatives. The biggest disincentive is the small margin between the gross price paid to co-operatives by the BMC and the price obtained from other buyers. This margin is further narrowed when the co-operatives' commission plus other service fees are deducted, reducing the net price actually received by members. Take, for example, the average gross price for livestock at auctions and at the Ikageng/Barolong Society for 1977. The average price per beast at auction sales in the Ngwaketse/Barolong region was P130. At Ikagene/Barolong it was P151.³³ There is an average differential of P21. However, the co-operative's 'fees' must be subtracted, which narrows this differential. There is only a slight price advantage in the co-operative's favor. Evidence suggests that the other two co-operatives examined also provide little price advantage. There appears to be little economic incentive for marketing cattle through the co-operatives.

Again the 'handling charges' affect the poor disproportionately. They have less ability to tolerate these price reductions and little ability of utilising alternative means of marketing to the BMC. The rich, on the other hand, do have the capability of finding alternative and less expensive means of marketing livestock and have a greater relative ability to tolerate the price reduction.

Another disincentive is an awkward and time consuming procedure required for members to arrange sales and the delay of at least several weeks between the time livestock is sold and payment received by the seller.*

* Delays in payment of over a year have been reported for the Phitshane-Molopo Society.

To arrange for sale through a co-operative, the member must first go to the society offices to arrange for his/her beasts to be included in the society's quota to the BMC. He then must trek his cattle, usually to the society's office, at the time when the society's entire quota of cattle is collected. Lacking transport and the ability to lease transport, members' cattle are usually trekked to the Lobatse abattoir. This often results in weight loss, especially for the distant co-operatives, reducing the net price going to its seller. Cattle are also lost en route. To avoid this awkward procedure, cattle are often sold through alternative outlets and societies are sometimes unable to meet their quotas at the BMC. Societies are fined by the BMC when a quota is not met.

The delay in payment works primarily against the poor. The poor usually have less ability to plan livestock sales, tending instead to sell livestock to meet extraordinary and often unplanned cash needs. Alternative buyers give immediate cash payment.

Not only do co-operatives delay payment, they also make it in the form of a check. Because of a lack of formal rural credit facilities, members must travel to a major village or city to cash checks at a commercial bank. This only adds to the 'transaction costs' of co-operative livestock marketing and further delays ultimate payment.

A further disincentive is the risk factor involved in selling livestock through a co-operative to the BMC. The BMC has sophisticated means to grade cattle and fix prices. As a result, there is a slight possibility that an animal can be downgraded and receive a poor price. Other buyers establish prices at 'face value' and the person selling can bargain. Again, the system is biased against the poorer farmers. Because they have fewer cattle to sell, their margin for tolerating risks is limited. Furthermore, the animals of the poorer farmers are generally in worse condition than those of wealthier farmers having usually been used more for draught, and given fewer supplementary minerals. As a result the risk factor of being graded down is greater. Traders, speculators, and others selling large numbers of livestock are also subject to BMC prices and grading system. However, since they are usually selling a large number of animals, the loss they suffer on beasts of poor quality is offset by their gains on high grade cattle.

Although data are not available pertaining particularly to the three societies under study, they are probably the single largest outlets for the sale of cattle to the BMC in their areas. According to McDonald, co-operatives in the Ngwaketse/Barolong area take about 50 percent of the regions' export offtake. They are followed by auctions scheduled frequently in Phitshane-Molopo, Good Hope, Mmathete, and Kanye, which account for 20 percent of the region's export offtake.³⁴ The remaining 30 percent of the region's export offtake is taken by agents and traders. Data are not available on how much is taken by each. Within the jurisdiction of the three co-operatives, major traders in cattle are located in Pitsane, Metlobo, and Mmathete.

An examination of the co-operatives' records, together with information obtained from interviews, indicate that, on the average, usually

fewer than half the members sell cattle through the co-operatives in any given year. In addition, the distribution of marketed cattle is often skewed. While the majority of members market four or fewer beasts, a small number usually market many, accounting for a large percentage of the societies' total. Take, for example, 1979 cattle sales for Ikageng/Barolong. Approximately 68 members marketed cattle that year through the society. The total was close to 378 head. These 68 sellers comprised 31 percent of the membership of 218 for that year. Forty-one (60 percent) of those who marketed cattle, sold no more than four beasts. They contributed only 97 beasts or 25 percent of the total. Eleven members sold ten beasts or more. Together they sold 172 head or about 45 percent of the society's total. This has one very clear implication. The economic viability of societies' livestock marketing depends heavily on the throughput of those few livestock owners who are in a position to market many head and to utilise alternative means of doing so. When these persons do opt for alternative channels, the co-operative can suffer severe economic damage. This has occurred in the Macha Society.*

General members and Committee members sometimes market cattle through other outlets. This violates co-operative by-laws which stipulate that all members' cattle sales should go through their society. Except for appeals to loyalty, the societies are apparently unable, unwilling, or uninterested in taking steps to enforce the rule.

BAMB Agents

To become an agent, a society is required to construct a storage facility and to receive BAMB approval. The society pays farmers upon their delivery of grain from an account credited by BAMB. For its service, the society receives handling costs and commission. BAMB provides transport for bringing grain from the society to its depot.

Acting as a BAMB agent does not require a high degree of managerial expertise. However, it does require substantial investment to construct the storage facility and the personnel to meet peak demands on society employees for crop handling during harvesting season. BAMB provides little personnel and no mechanical assistance. For some societies, the financial and personnel requirements are prohibitive.

Of the three societies studied, only Macha acts as an agent for BAMB. Because it started as a grain marketing group, Macha already had the required storage facility and its manager had experience in marketing grain. Macha has helped farmers to raise their marketable surpluses by providing a guaranteed market at nationally established prices.

* Several people marketing numerous beasts through the Macha Society stopped doing so because they thought the society's commission was too high. Macha was left with a lower cattle throughput while its marketing costs remained constant. As a result, cattle marketing became unprofitable.

Credit

Two forms of credit are currently being distributed through co-operative societies. These are ALDEP loans and seasonal credit. Ikageng/Barolong participates in the ALDEP programme and Macha participates in both ALDEP and Seasonal Credit Programmes. The Phitshane-Molopo Society does not participate in any credit program.

The Seasonal Credit Programme is an attempt to direct loans to the small farmer to meet peak seasonal cash requirements needed to purchase arable inputs. By overcoming this cash flow problem farmers are able to invest in arable inputs resulting in a greater marketable output.

Seasonal loans are in kind for a maximum value of P340 at 8 percent interest. They must be repaid at the end of the agricultural season. Members seeking loans need approval from the society's Credit Committee and ultimately by its governing Committee. The total amount needed by the society is then requested from the BCB, where it must receive approval from the BCB and the Commissioner of Co-operatives. The individual society distributes loans to its members and is responsible for their collection. The society receives no charge or commission for this service. It must have BCB/CODEC approval and must send a representative to a training course before it can participate in this programme.

There are two basic premises for co-operatives' distribution of credit. First, co-operatives are assumed to have close contact with the farming population. As a result, they are able to reach more farmers, especially more smaller farmers, at lower costs. The character of the borrower is assumed to be known by members who can also exert social pressure for repayment. Second, co-operatives, especially multi-purpose societies and BAMB agents, can both supply inputs and improve access to markets along with credit. Credit can be tied to marketing to help guarantee repayment.

Macha and Ikageng/Barolong reported few problems in participating in these programmes. Their administration was not difficult and repayment rate so far has been high.

Loan repayment can be expected to become a problem should credit programmes expand. The co-operatives cover a wide geographic area and encompass many members who are not known to each other. There could be little peer pressure for loan repayment. In addition, members often market both livestock and arable produce outside of their societies, reducing the society's opportunity to collect by means of withholding payment.

Structure and Capacity of Management

Managers

Both the Macha and Ikageng/Barolong Societies have well trained, experienced, and seemingly honest managers. They have successfully managed

their societies' growth and development. They have received continual training enabling their societies to take on new activities. In contrast, the Phitshane-Molopo Society has employed three different managers, one of whom was proved corrupt. This turnover of managers and their lack of experience has contributed to the provision of few services by the society, its recurrent financial loss, and lack of members' participation.

A major constraint to co-operatives in Botswana has been their inability to attract and retain skilled personnel, especially managers. The difficulty in attracting and retaining skilled personnel has most often been attributed to the generally low salaries societies are capable and/or willing to pay their employees. Societies' ability to pay is often limited by a low volume of sales and turnover of goods. Committee members sometimes do not understand that their managers should be paid an adequate salary.³⁵ Disputes over managers' salaries have surfaced within Ikageng/Barolong and been partially responsible for the turnover of managers at Phitshane-Molopo. The problem of finding and retaining skilled personnel is also due to the lack of trained people in rural areas for societies to select from and the desire of many educated youth to work in cities.

Attempts on the part of CODEC to introduce managers to societies has proved unsuccessful. This was said to sometimes lead to managers' arrogance and corruption. Co-operative members often objected to a stranger working as their manager. The embezzlement of funds by a manager introduced by CODEC over members' objections at the Phitshane-Molopo Society is a case in point.

Committees

In all three societies, either the entire Committee or the leadership within the Committee has gone largely unchanged since the societies' registration. This has been due to a complete lack of elections, as with the Phitshane-Molopo Society; or the same Committee has been continually re-elected until 1981 as with Macha; or else the Committee's leaders have been continually re-elected, as with Ikageng/Barolong. This retention of leadership has both negative and positive consequences. On one hand it does not allow for the turnover of Committee representatives, yet on the other hand it allows Committee members to gain knowledge and experience in the running of their society.

Despite the usually long experience in running their society, Committee members often appear to lack knowledge of co-operative principles and forms of organisation. This has led, in part, to their accidental breach of by-laws, and has partially limited their usefulness in guiding their society and assisting its manager.

Along with the level of awareness of co-operative by-laws and principles, is the willingness of Committee members to abide by them. Allegations of Committee corruption have been made in all three societies. Corruption on the part of Committee members was the principal factor in the dissolution of the original grain marketing societies in the Barolong

Farms. It is also allegedly associated with the financial losses, low level of activity, and supposed disputes among Committee members of the Phitshane-Molopo Society.

Committee members, as mentioned earlier, are usually wealthier than both General Members and most non-members, holding and selling larger numbers of cattle, and practising a more commercial arable agriculture. While specific attitudinal differences were not noticeable, these differences in wealth and economic activity may imply that Committee members have different perceptions of their needs than the General Membership and non-members and how a co-operative can best be used to meet them. Societies are essentially run, as will be discussed, by their Committees with little membership input.

Relations between Committee members and managers have usually been good and stable working conditions maintained. Committees and managers were of different capabilities and strengths, giving the stronger relatively more influence over of the society. For example, the leadership within the Committee for Ikageng/Barolong appears particularly strong. It appears to lead the society completely. In the Macha Society, most Committee members lack experience while its manager has long been with the society and has received considerable training. It appears that she is very influential in guiding the society.

Managers can be put in a difficult political situation vis-à-vis the Committee. As employees, managers are subject to dismissal by the Committee. They can be forced to quit or can be dismissed by the Committee if disputes over, say, policy matters or supposed corruption arise between them. A threatened resignation took place over such a dispute in Macha. It also played a role in the resignation of Phitshane-Molopo's last manager in January 1982.

General Membership

The General Membership of the societies examined has little involvement in their societies' affairs, control over their societies' policies, and knowledge of co-operative principles and forms of organisation.

There is no active relationship between the Committee and the General Membership. Communications between them are limited. Almost all matters pertaining to the society come from within the Committee where they receive rubber stamp approval from the members instead of being generated from among the members and articulated within the Committee. As stated by Maher: "The relationship is passive; the essence of a co-operative--concentrating capital in shares, ownership and control by members in meetings--is completely absent".³⁶

There are several reasons for this lack of membership involvement. One possible reason is that members appear to have little personal motivation to be actively involved. Generally, they receive little economic gain from most co-operative services. In addition, services will still be provided and benefits obtained with or without their active participation. For example, all those selling livestock have benefitted from the

price increases generated by co-operatives entering the local cattle market. Little additional money is gained by selling through a co-operative. For those who do sell through a co-operative, there is no economic gain from the time spent on the society's affairs. Co-operatives need to be economically significant to ensure active member participation.

A second reason for low member participation is that the co-operative form of organisation is foreign to most Batswana. 'Democratic' and 'western' forms of organisation are relatively recent and untried phenomena, and do not resemble indigenous institutions. People simply do not have much experience in dealing with such formalised institutions as co-operatives. They may lack the organisational skills required for effective participation. Few efforts have been made within the societies to educate their members on co-operative principles. Attempts to form Education Committees around broadcasts over Radio Botswana have all died early deaths. There has apparently been little motivation among Committees to better inform themselves or the members.

There are other causes of the lack of active member participation. First, general meetings may simply not be called by the Committee as is the case in Phitshane-Molopo. Second, when meetings are called, they are usually given little publicity and attendance is often low, accounting for a small percentage of the society's total membership. Most members interviewed reported that they did not attend their societies' meetings because they were busy or else they did not hear that a meeting was going to take place. Meetings are publicised chiefly by Committee members spreading the word to others. Apparently, this is not working too well. Alternative means of publicity are not generally used. There are also external factors which inhibit communications and member participation. Co-operatives cover a wide geographic area. Telephone and postal services are poor. Transport is limited. Difficulty simply getting to the meetings may not make attendance worthwhile.

Relations with Apex Organisations, Agricultural Extension, and District Council

The primary societies exist independent of policy directives from any of the 'apex' organisations, controlling themselves within the framework of co-operative law. Their most frequent form of contact is with CODEC officers in the form of quarterly inspections and the annual audit report. Otherwise, 'apex' contact tends to be 'crisis' oriented. The societies contact the 'apex' bodies when a problem arises which they cannot handle themselves. The assistance they have received is said to usually be prompt and effective.

However, personnel constraints within the 'apex' organisations have limited their supervisory capacity. This may be especially true within CODEC, the apex organisation vested with the most supervisory functions. CODEC, until recently, has received relatively low priority within its parent ministry. The localisation of CODEC personnel has been reported

to be at the expense of expertise. As a consequence, the growth of the co-operative movement has come close to outstripping CODEC's capacity to administer it.

Although agricultural field service personnel were highly involved in establishing both the Phitshane-Molopo and the Macha Society, extension contact with the co-operatives soon tapered off. It remains sporadic with contact motivated by the efforts of individual extension officers or co-operative members. However, members did report more frequent contact with extension workers than non-members. This is most likely due to the fact that compared to non-members, a larger proportion of members plough, and when they do, tend to plough larger areas and use more progressive techniques. Farmers utilising more progressive techniques tend to receive more extension contact than others.³⁷

There are several probable reasons for the lack of systematic contact between co-operatives and agricultural field service personnel. First, although the Department of Co-operatives and Department of Agricultural Field Services are both within the Ministry of Agriculture, there are no formal linkages between them. Only vertical communications and policy directives exist within each department with no visible horizontal communications between them. As a consequence there are no policies defining the relation between agricultural field service personnel and the co-operative societies. Second, there is the question as to whether or not co-operatives are Government affiliated organisations. Only as Government affiliated organisations, would co-operatives be eligible to receive Government sponsored extension support. Most Committee members and managers interviewed perceived the societies as being Government affiliated through societies' affiliation with CODEC and the DOC. They looked favourably upon increased communication with agricultural field service personnel. Third, extension contact may be limited due to the perceptions of extension personnel that the co-operatives do not provide effective lines of communication to the farming population.

There is no systematic contact between Southern District Council and the three societies. This occurs despite the fact that most Councillors in the study area are co-operative members. Their presence as members suggests possibilities of facilitating communications between the co-operatives and Southern District Council. At the time of this writing, contact was most visible with assistance provided by the Council's Production Development Committee in undertaking a feasibility study for the ground-nut processing plant proposed by Ikageng/Barolong.

CHAPTER VII

RECOMMENDATIONS

The basis of co-operative development in rural Botswana should be slow and careful progression along existing lines, including the gradual provision of new services, and efficiency improvements in the provision of existing ones. Co-operative development in Botswana has avoided many of the failures which have confronted co-operative movements in other parts of Africa because of too rapid growth, 'top heavy' Government involvement, and handling a range of services too wide for members to effectively manage. When a co-operative fails, participation is difficult to re-kindle. The movement in Botswana should continue to seek slow and careful growth and the provision of services that are cost effective and readily managed.

Consolidating an Existing Role: Livestock Marketing

The critical function of all co-operatives studied is livestock marketing. Whatever new roles co-operatives should assume, this fundamental role should be consolidated. Some specific recommendations follow.

Steps should be taken to make the process of selling cattle through co-operatives less inconvenient and to reduce the time delay in payment. The policy to increase the level of advance from P30 to P100 should be implemented as soon as possible. A higher advance would encourage more people to turn to co-operatives as a preferred market outlet. An increase in throughput of cattle would lower the handling costs per marketed beast, increasing the net price received by the seller.

Societies should be encouraged to build kraals at their offices. This would make the arranging of sales and the trekking of members' cattle to be assembled with other members' beasts a bit easier. Kraals are of relatively low cost and can be constructed by members.

Notices should be distributed by the societies to be displayed in the villages within their jurisdictions, indicating the availability and size of their quotas granted by the BMC. This should help to inform members of the simple existence of quotas and could facilitate the process of arranging sales.

Means should be sought to increase compliance with the rule regarding the marketing of members' livestock and produce exclusively through co-operatives. The inability or unwillingness of co-operatives to enforce this rule leads to a loss of much needed throughput, increasing the society's per unit handling costs and reducing its total net revenue and payment received by the seller. Enforcement is also necessary for loan repayment if credit facilities are to be expanded.

Co-operatives should pay greater attention to regularising and increasing the marketing of smallstock (goats and sheep) to the BMC and perhaps other buyers. Co-operative smallstock marketing in the past has been limited due to difficulty in arranging quotas at the BMC because of the irregularity of smallstock supply. Higher smallstock prices through co-operatives would be of benefit to the smallholder. The ability to receive cash through smallstock sales would lessen the pressure of cash needs to sell cattle, which are often needed for draught power.

Development of New Roles

There are several suggested policies which could, after careful evaluation and study, be pursued by CODEC and the individual societies. These policies could help 'consolidate societies' financial base and broaden their range of services which could be of use to both member and non-member populations. They are in line with the fundamental trend in the recent development of the movement.

Co-operatives should gradually but steadily evolve towards an effective multi-purpose status. New or expanded activities should include provision of grain marketing facilities, particularly as BAMB agents, and rural credit facilities, especially the Seasonal Credit Programme.

The development of societies to 'multi-purpose' status, would not only spread localisation of internal retail channels, but would help enlarge societies' financial base. It has been noted that societies' net surpluses, where these exist, are not generated by livestock marketing. With a broader financial basis, societies would be better able to withstand the vicissitudes of the rural economy and variations in surplus generated by its services.

When possible, marketing facilities for arable produce should be expanded, especially in conjunction with input provision from co-operative societies. These marketing facilities can, though not necessarily, be managed by co-operatives. Decentralisation of marketing facilities could do much to help the small farmer who often lacks the transport to deliver his/her arable produce to the most lucrative markets. In particular, competition with BAMB should be avoided. The best solution would appear to be for co-operatives to act as BAMB agents.

The credit extension role of co-operatives should be enhanced. Co-operatives do appear to be the best existing institution for the distribution of credit to the small farmer. Although communications are not extensive, co-operatives have more contact with the farmer population than the major alternative distributor of agricultural credit, the National Development Bank. Coupled with input provision and marketing facilities, co-operatives are especially suited for the timely provision of agricultural inputs and loan collection by its guarantee on members' crops. If small farmer credit programmes are to expand however, steps must be taken for the Government to assume the risk of loan default. It should instead

compensate co-operatives for their services in this respect, on a basis which will generate incentives for co-operatives to obtain member repayment, e.g. a commission on repayments obtained.

Widening the Membership Base

The primary societies have capital accumulation needs and needs for economies of scale which dictate an expansion of membership. The co-operative societies studied already draw their membership from geographical areas which are extensive enough to create serious communication problems. The means to expansion of membership do not appear to lie in expanding geographical coverage, but rather in increasing the percentage of households which are members in the present membership area. Critical steps would appear to be:

Primary societies should be encouraged to undertake membership drives within their respective jurisdictions. The case studies reveal considerable local ignorance of the co-operative's functions and potentialities. Possibilities include the creation of a display by CODEC for agricultural shows and at the annual trade fair. But co-operative education can also move beyond the exclusive domain of CODEC. Co-operative principles can be included in the curriculum of the Department of Non-Formal Education and taught as part of adult literacy classes. In addition, they can be presented to children through 4-B activities and in the classrooms of primary schools.

Ultimately, however, membership can best be increased by providing existing services more efficiently, or by providing new services wanted by a wider segment of the population. There are obviously significant numbers of livestock holders who could be attracted to membership in the co-operative by more efficient provision of livestock marketing services. Recommendations have been made above. But there are even larger numbers of households for which this function is irrelevant because they market few or no livestock. To attract these households functions must be expanded. As suggested above, co-operatives must assume multi-purpose roles, including roles attractive to households as consumers.

Whenever a co-operative embarks upon a new activity, the short run trade off between membership and net surplus should be considered. A careful calculation should be made of advantages likely to accrue (1) in terms of increased membership, if benefit from the opportunity to participate is limited to members, or (2) in terms of increased net surplus due to greater volume, if the opportunity is opened up to non-members as well. Neither approach is a priori correct in every situation, and the precise position of the particular co-operative and the nature of the new activity must be considered.

Increasing Member Participation

The case studies revealed a very low level of member participation in the societies. Co-operatives will only prosper if they are responsive

to broad membership needs, and this can only be guaranteed through a higher level of member participation.

Steps should be taken to better educate Committee members and the General Membership on co-operative principles. A first step would involve a greater allocation of funds and attention to the Education and Training Unit of CODEC, and in particular to its newly created Mobile Training Unit. When possible, the Mobile Training Unit should go to the primary societies to explain principles to both Committee members and the General Membership.

Greater attention should be paid by CODEC to the creation and maintenance of Education Committees within societies. Where Education Committees have existed, they usually have not performed well or lasted very long. CODEC should take steps to see that they are being created and remain active. In addition, CODEC should consider the development and distribution of simple information packages in Setswana designed to inform Committee members of their roles and duties. Follow-up steps would be necessary to make sure the packages are being utilised.

Other steps should be taken to increase membership involvement. CODEC should require societies to conduct Committee meetings and general meetings as stated in co-operative by-laws. The need to publicise meetings and the channels open to do so should be emphasised. (Means of publicity appear to be known to Committee members and managers, but rarely used). Perhaps standardised notices to be posted in public places and standardised letters to be mailed to extension personnel, headmen, councillors, Committee members, and the like, could be printed by CODEC and distributed to the societies. All the society would have to do would be to write the time and place of the meeting and then mail the forms to people or to post them at public places. Just having the forms at society offices may serve as a reminder of the need to publicise meetings.

Improving Co-operative Administration

While sound training is provided for managers, the experience of the three co-operatives studied suggests it is not easy for co-operatives to obtain, and retain, good managers. Some specific suggestions for improving co-operative administration follow.

The Government should consider subsidisation of managers' wages. Money could be channelled through the Ministry of Agriculture for this purpose without any additional Government involvement in societies' daily operations. This could potentially do much to improve societies' managerial capabilities to increase the efficiency in their present operations and allow for the delivery of additional services. Such subsidisation should however be modest, and the need for it with respect to a particular co-operative should be reviewed periodically, e.g. every five years.

Managers should not be imposed upon co-operatives by the Department of Co-operatives. Every effort should be made, in line with general

policy, to develop managerial expertise from within the membership of the co-operative. This is vital to the early development of these institutions, however tempting it may be to attempt quantum jumps towards better administration by introducing outside expertise.

Co-operatives need to be given a higher priority within the Ministry in terms of funding and manpower if they are to develop further. The movement has outgrown the Department's ability to effectively supervise it. The Department of Co-operatives has been given the second highest priority in the Ministry's recent manpower development plan. This will help to relieve some of the Department's personnel constraints.

Co-operatives, Development, and the Role of Government

Behind many of the issues discussed above is a more fundamental question: What is the appropriate relationship between co-operatives, which are private sector institutions created and sustained with significant Government support for promotion of rural development, and Government's own direct rural development activities? There are really two facets to this question:

- 1) What support should co-operatives be getting from Government's rural development programmes and staff?
- 2) To what extent should Government channel its assistance to farmers through co-operatives?

Government Development Activities in Support of Co-operatives

Attitudinal changes as well as more concrete steps are required.

Co-operatives must be recognised as legitimate recipients of agricultural extension and other such assistance. Policy must be clarified to avoid the confusion sometimes encountered as to whether co-operatives are public or private sector institutions, and whether they are therefore appropriate recipients of agricultural extension and other such assistance. They are clearly private sector institutions, but are nonetheless perfectly legitimate recipients of Government assistance. (Individual farmers are part of the private sector, and remain so whether they form a partnership or incorporate, or form a co-operative).

To this end, steps should be taken to increase the linkages between co-operatives and other institutions. These can be taken at the national, district, and local levels. They would facilitate the flow of information between existing organisations and from central offices in Gaborone down to the village level.

High priority should be placed on increasing and regularising contact between agricultural extension services and co-operatives. This would not interfere with the independence of primary societies and would be to the

mutual advantage of the services and the co-operatives. Increased contact would give extension workers a channel for reaching more farmers. Co-operatives in turn would have ready access to extension workers' training and expertise, and more to offer their memberships. Several steps could be taken.

Horizontal linkages between the Department of Agricultural Field Services and the Department of Co-operatives within the Ministry of Agriculture must be improved. A dialogue should be started to facilitate joint and planned contact originating from the central Ministry.

To further co-ordinate activity and communications at the national level, a CODEC representative could participate in the Rural Extension Co-ordinating Committee (RECC). RECC participation would not detract from co-operatives' independence nor would it represent a Government intrusion into the societies' affairs. It could serve to give co-operatives greater significance within the Ministry of Agriculture and within national development planning as a whole.

Co-operatives should be represented by a member on the governing boards of BMC and BAMB. Co-operatives are currently the single leading source of livestock for the BMC and are of growing significance in marketing arable produce to BAMB. Co-operatives' marketed throughput to these two para-statal agencies is likely to grow. At the time of writing, there is no co-operative representative on the governing boards of either BMC or BAMB. The increased and growing significance of the co-operative movement in the nation's marketing channels requires greater policy co-ordination between co-operatives and the BMC and BAMB. Co-operatives should be represented by a member on the governing boards of both organisations. In addition, this would give the farming population some voice in setting policy within two organisations that have much significance in their lives.

District Agricultural Officers should be regularly invited to attend Committee meetings and regularly informed of the societies' activities and plans. Communication and co-ordinated activity between the individual society and District-level extension personnel would be facilitated. Extension officers would become familiar with the problems and potentials of the primary societies and could offer assistance as needed. Agricultural Demonstrators could better process ALDEP applications. They could spread information to farmers about the society and scheduled meetings, and better instruct members on improved agricultural techniques, to ensure the efficient use of a loan. As the institutions with the widest contact with the farming populations, co-operatives could be valuable extension vehicles.

District Councils can play an advisory role which could help improve the overall functioning of co-operatives within their District. First, District Officers should meet with the Committees of the co-operatives in their area to become familiar with their operations and problems. Second, Council should offer whatever assistance it can to the societies. Contacts should be encouraged between Council-affiliated extension personnel,

and its Production Development Committee. The availability of assistance should be offered and not forced upon co-operatives. Finally, communications between the societies, the local farmers, and Council can be facilitated with information disseminated through elected Councillors, who are often co-operative members.

Channelling Government Assistance to Farmers Through Co-operatives

Co-operatives in Botswana are among the largest rural institutions, with the highest levels of membership and providing the broadest range of services in the rural economy. However, the services which they can provide and the populations they can reach are limited. Co-operatives have developed with a capitalist orientation and not to promote consolidation and capitalisation in the non-monetary subsistence economy. Partially as a result, they have been capable of serving only those people with the resources to engage in market activities. This has largely involved the middle-income groups in the areas examined. Their market activities have primarily concerned the sale of cattle and commercial arable agriculture. Those who lack the resources to engage in these activities are excluded from the benefits of co-operative services. Those excluded are a large segment of the rural population. Given the present organisation and orientation of co-operatives, there is little that can be done to reach the resource poor through the co-operative structure. The poor lack resources and co-operatives are cost effective only for participants with a minimum resource endowment. If the very poor are to benefit, resources must be transferred to them through socio-political reforms. According to Kanel,

. . . co-ops could help the poor who had some land or skills, but not those without any resources; co-ops are not welfare agencies that can redistribute income. Providing resources to the poor needs to be accomplished through pressures of socio-political movements on governments leading to government policies for reform and redistribution.³⁸

But cannot Government utilise co-operatives as channels for programmes whose benefits extend beyond the membership? There are essentially two lines of thought in regards to co-operatives' involvement in Government-dictated development and change. These are articulated by Youngjohns and Bottomley.³⁹ The first suggests that co-operatives should stay as separate as possible from Government involvement and serve only as directed by their membership. Increased Government involvement would erode members' self-help initiatives, said to be a basis for the steady growth of the movement. The second perspective implies that due to the absence of other viable private institutions, co-operatives are the only alternatives to parastatal or Government-sponsored organisations to carry out rural development plans.

Each of these alternatives has its costs and benefits. According to Morgan,⁴⁰ some of these include:

- 1) the ability of Government to attract more skilled manpower;

- 2) the ability of Government to serve a broad constituency of farmers while the co-operatives hold the interests of its members closest to heart; and
- 3) co-operatives operating at the local level will tend to be more responsive to the needs of the local population than would Government, and will command greater loyalty for loan repayment etc.

He goes on to state that if there is to be more Government involvement in the co-operative movement, that involvement must be highly selective and must satisfy three criteria:⁴¹

- 1) it must be 'good for business' for the existing co-operatives;
- 2) it is desired by a majority of members; and
- 3) it must be a programme which is within the administrative capacity of the society.

The correct balance is not easily struck. In light of the above discussion the following guidelines are suggested, while recognising they will not provide clear-cut answers in many cases.

(1) Co-operatives offer opportunities for access to both members and non-members which cannot, in the absence of private or public sector institutions of similar scale in rural Botswana be neglected. Within carefully observed limits, co-operatives can serve as channels for Government development efforts.

(2) The most significant limit is that co-operatives should not be 'used' as channels by Government. Participation in any Government programme should be solely at the option of the co-operative. Government must make co-operative offers which they find attractive and which are mutually beneficial.

(3) Co-operatives may be used as channels either to members exclusively or to both members and non-members, but considerations differ significantly in these two situations. Where co-operatives function as channels to members only:

- It should be recognised as legitimate that a co-operative will generally prefer opportunities which it can channel to members only, thus enhancing the value of membership and ultimately increasing membership.
- Government for its part should work through co-operatives to offer opportunities exclusively to members only where such opportunities are relevant by and large to those who are members and where the co-operative can provide the most effective and economical access to its members.
- If the above conditions are satisfied and if the co-operative is persuaded the particular programme is sound, co-operatives should

be able to participate if their costs of participation are met. Participation need not generate a significant net surplus if it enhances the value of membership by providing preferential access to a service to members.

Where co-operatives are channels to both members and non-members:

- Government must be satisfied that co-operatives can be an effective channel to non-members as well as members.
- A co-operatives, if it acts in a manner which does not enhance the opportunities provided by membership, must ensure that it instead enhances the value of membership in financial terms. Therefore,
- Participation in any such programme must offer the co-operative a substantial net surplus through access to a more profitable scale of operations and other incentives.

Because Government can benefit by seizing the opportunity to work through co-operatives within the limits set out above, Government has a vested interest in the quality of management of co-operatives. Government should, as suggested above, consider a carefully planned and non-intrusive subsidisation of co-operatives' management capabilities.

Co-operatives and the CFDA

A Communal First Development Area (CFDA) has been defined as a specific geographic area that is to benefit from attempts to increase productive activities with employment and income generation as a result. Employment and income generation are to develop from a complementary mix of farming, rural industries, and labour intensive development projects. It is an attempt to provide, for the majority of Botswana who are resident on communal lands but own few or no livestock, a rural development strategy alternative to TGLP's focus upon the commercialised livestock sector. Evidence suggests that in the short run, given the present structure of co-operatives in Botswana, co-operatives can only participate marginally in specific CFDA programmes.

A major reason for reaching this conclusion is that most co-operatives in Botswana, including those in the Southern District, are not directly involved in productive activities in agriculture. Nor are they organised to implement small scale rural industries or labour intensive projects.

The co-operatives are engaged instead in providing services to the farming population. The penetration into that farming population is limited, reaching only those who market cattle and/or engage in commercial arable agriculture. The resource poor, non-farming and non-cattle owning,

are excluded from membership by its irrelevance to their needs. The poorest, the target population in CFDA activities, cannot as producers be reached by co-operatives. If they are to be reached at all, it must be as consumers.

There are other reasons which indicate a limited role for co-operatives in CFDA activities:

- The co-operatives and the Southern District CFDA cover overlapping though separate geographic areas. Co-operatives most likely cannot provide special services or implement particular programmes to one area within their jurisdictions that they cannot provide to the rest.
- CODEC is already constrained in the supervision of co-operatives across Botswana. It does not have the capacity to focus on co-operatives in specific regions without neglecting others.
- Co-operatives have their own financial security and members most at heart. This, together with existing internal and external constraints, limits their willingness and ability to engage in new programmes.
- Southern District Council has no direct authority over the policies of the primary societies. They are independent bodies under the control of their members. Council cannot utilise co-operatives to implement District-based development programmes, unless they are agreed to by a large segment of the membership of the societies concerned.

APPENDIX I

AGRICULTURAL PRACTICES : IKAGENG/BAROLONG SOCIETY

TABLE I.1

Type and Source of Draught Power for Non-Members, Members, and Committee Members of Ikageng/Barolong Society, and General Population

DRAUGHT SOURCE	HOUSEHOLD	HIRE	OTHER	TOTAL
	<u>Non-Members</u>			
Tractor	2	5	0	7
Cattle	5	0	0	5
Donkey	<u>0</u>	<u>1</u>	<u>1</u>	<u>2</u>
Total	7	6	1	14
	<u>Members</u>			
Tractor	5	5	1	10
Cattle	8	0	0	8
Donkey	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
Total	14	4	1	19
	<u>Committee Members</u>			
Tractor	5	0	0	5
Cattle	0	0	0	0
Donkey	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	5	0	0	5
	<u>General Population</u>			
		NUMBER	PERCENTAGE*	
Number of farmers who own draught		650 ¹	23.0	
Number of farmers who own tractors		120 ²	4.0	
Number of farmers who hired/borrowed tractors		200 ³	7.0	
Number of farmers who used tractor draught		300 ⁴	90.0	

- SOURCES: 1. 1970/80 Agricultural Statistics.
 2. Agricultural Demonstrators' Annual Plan.
 3. Heisey, "Agriculture and Target Agricultural Populations", p. 26.
 4. 1979/80 Agricultural Statistics.

* Calculated on estimate of total number of households in Barolong Farms from 1981 Census map (estimates 279 households).

TABLE I.2

Ownership of Agricultural Implements Among Non-Members, Members, and Committee Members of Ikageng/Barolong Society, and General Population

IMPLEMENT	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS*	
	Number	Percentage	Number	Percentage	Number	Percentage
None	13	48.1	7	26.0	0	100.0
Plough	14	51.8	18	66.6	6	100.0
Planter	3	11.1	11	40.7	6	100.0
Tractor	2	7.4	5	18.5	6	100.0

GENERAL POPULATION**

	Number	Percent***
Plough	650 ¹	23.0
Planter	360 ²	12.0
Tractor	120 ³	4.0

SOURCE: 1. 1979/80 Agricultural Statistics.
 2. Agricultural Demonstrators' Annual Plan.
 3. Heisey, "Agriculture and Target Agricultural Populations".

* Missing one case.

** Sources: Agricultural Demonstrators.

*** Calculated from estimate of 2,797 households in Barolong Farms from 1981 Census Map.

TABLE I.3

Crops, Agricultural Practices, and Output of Non-Members, Members,
and Committee Members of Ikageng/Barolong Co-operative Society

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Non-Members</u>										
<u>Maize</u> 7	Broadcast	Yes - 3	Home	3	0-25	4	0-25	2	Traders	1
		No - 4	BAMB	2	26-50	2	26-50	2	BAMB	3
	Row plant		MOA*	2	51-100	0	51-100	0	MOA	$\frac{1}{5}$
					101-250	0	101-250	0		
					251-500	1	251-500	1		
					500+	0	500+	0		
						<u>7</u>		<u>5</u>		
				Total -	573	Total -	490			
				Average -	81.85	Average -	98			
<u>Sorghum</u> 11	Broadcast	Yes - 1	Home	5	0-25	10	0-25	3	Traders	1
		No - 10	BAMB	5	26-50	1	26-50	1	BAMB	2
	Row plant		MOA	1	51-100	0	51-100	0	SRDA***	$\frac{1}{4}$
					101-250	0	101-150	0		
					251-500	0	251-500	0		
					500+	0	500+	0		
						<u>11</u>		<u>4</u>		
				Total -	100	Total -	48			
				Average -	9.1	Average -	12			

(continued)

* Ministry of Agriculture.

** Southern Rural Development Association.

(Table I.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Sunflower</u> 2	Broadcast	Yes - 2	BAMB	2	0-25	1	0-25	1	BAMB	$\frac{2}{2}$
		No - 0			26-50	$\frac{1}{2}$	26-50	$\frac{1}{2}$		$\frac{2}{2}$
	Row plant 2									
<u>Beans</u> 5	Broadcast	Yes - 1	Home	2	0-25	$\frac{5}{5}$	None sold			
		No - 4	BAMB	3						
	Row plant 3		MOA	1						
<u>Members</u>										
<u>Maize</u> 14	Broadcast	Yes - 11	BAMB	4	0-25	5	0-25	2	BAMB	10
		No - 1	MOA	4	26-50	1	26-50	2	MOA	$\frac{1}{11}$
	Row plant		Home	6	51-100	0	51-100	0		
					101-250	5	101-250	4		
					251-500	2	251-500	2		
					500+	$\frac{1}{14}$	500+	$\frac{1}{11}$		
Total - 3,804						Total - 3,535				
Average - 271.7						Average - 321.3				

(continued)

(Table 1.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Sorghum</u> 14	Broadcast	Yes - 11	BAMB	8	0-25	7	0-25	4	BAMB	10
	13	No - 3	MOA	2	26-50	0	26-50	0	MOA	1
	Row plant		Home	4	51-100	0	51-100	1		11
	1				101-250	4	101-150	3		
					251-500	1	251-500	1		
					500+	2	500+	2		
					14		11			
					Total - 2,880		Total - 2,771			
					Average - 205.7		Average - 252			
<u>Sunflower</u> 4	Broadcast	Yes - 4	Home	1	0-25	3	0-25	2	BAMB	3
	0	No - 0	MOA	2	26-50	1	26-50	1		3
	Row plant		RSA*	1		4		3		
4										
					Total - 81		Total - 78			
					Average - 20.25		Average - 26			
<u>Beans</u> 5	Broadcast	Yes - 4	Home	2	0-25	5	0-25	2	BAMB	1
	0	No - 1	MOA	1		5		2	Villagers	1
	Row plant		BAMB	2						2
5					Total - 13					
					Average - 2.6					

(continued)

* Republic of South Africa.

(Table I.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Ground Nut</u> 1	Broadcast	Yes - 1	RSA	1	101-250	$\frac{1}{1}$	101-250	$\frac{1}{1}$	BAMB	1
	0	No - 0								
	Row plant				Total - 250		Total - 250			
	1				Average - 250		Average - 250			
<u>Peas</u> 1	Broadcast	Yes - 1	BAMB	1	0-25	$\frac{1}{1}$	None			
	0	No - 0								
	Row plant				Total - 0.5					
	1				Average - 0.5					
<u>Committee Members</u>										
<u>Maize</u> 5	Broadcast	Yes - 5	BAMB	2	250-500	3	250-500	3	BAMB	4
	0	No - 0	MOA	3	501-1000	1	501-1000	1	MOA	$\frac{1}{5}$
	Row plant				1000+	$\frac{1}{5}$	1000+	$\frac{1}{5}$		$\frac{1}{5}$
					Total - 5,200		Total - 5,000			
					Average - 1,040		Average - 1,000			

(continued)

(Table I.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Sorghum</u> 5	Broadcast	Yes - 3	BAMB	2	26-50	0	26-50	1	BAMB	4
	0	No - 0	MOA	3	51-100	1	51-100	0	MOA	1
	Row plant				101-250	2	101-250	1		5
	5				251-500	2	251-500	3		
						$\frac{5}{5}$		$\frac{5}{5}$		
					Total - 1,520		Total - 1,480			
					Average - 304		Average - 296			
<u>Beans</u> 3	Broadcast	Yes - 4	Home	1	0-25	2	0-25	2	BAMB	3
	0	No - 0	BAMB	1	26-50	2	26-50	1		3
	Row plant		MOA	2		4		3		
	4									
					Total - 80		Total - 43			
					Average - 20		Average - 14.3			
<u>Sunflower</u>	Broadcast	Yes - 2	MOA	2	101-250	1	101-250	1	BAMB	2
	0	No - 0			251-500	1	251-500	1		2
	Row plant					2		2		
2										
					Total - 280		Total - 280			
					Average - 140		Average - 140			

APPENDIX II

AGRICULTURAL PRACTICES : PHITSHANE-MOLOPO SOCIETY

TABLE II.1

Type and Source of Draught Power: Non-Members, Members, and Committee Members of the Phitshane-Molopo Co-operative Marketing Society

DRAUGHT SOURCE	HOUSEHOLD	HIRE	OTHER	TOTAL
	<u>Non-Members</u>			
Tractor	0	0	0	0
Cattle	0	1	0	1
Donkey	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	2	1	0	3
	<u>Members</u>			
Tractor	1	0	0	1
Cattle	3	0	0	3
Donkey	<u>2</u>	<u>2</u>	<u>0</u>	<u>4</u>
Total	6	2	0	8
	<u>Committee Members</u>			
Tractor	0	0	0	0
Cattle	3	0	0	3
Donkey	<u>2</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	5	0	0	5

TABLE II.2

Crops, Agricultural Practices, and Output: Non-Members, Members, and Committee Members of the Phitshane-Molopo Co-operative Marketing Society

CROP AND NUMBER GROWING CROP	PLANTING	FERTILIZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Non-Members</u>										
<u>Maize</u> 3	Broadcast	Yes - 0	Home	2	0-25	3	0-25	1	Villagers	$\frac{1}{1}$
		No - 3	RSA	1	26-50	0	26-50	0		
	Row plant					$\frac{3}{3}$		$\frac{1}{1}$		
					Total - 34		Total - 10			
					Average - 11.3		Average - 10			
<u>Members</u>										
<u>Maize</u> 6	Broadcast	Yes - 1	Home	2	0-25	5	0-25	0	BAMB	$\frac{1}{1}$
		No - 5	BAMB	2	26-50	0	26-50	0		
	Row plant					0	51-100	1		
					101-250	$\frac{1}{6}$	101-250	$\frac{0}{1}$		
					Total - 163		Total - 70			
					Average - 27.2		Average - 70			
<u>Sorghum</u> 3	Broadcast	Yes - 0	MOA	3	0-25	2	0-25	1	Villagers	$\frac{2}{2}$
		No - 3			26-50	1	26-50	1		
	Row plant					0	51-100	$\frac{0}{2}$		
					Total - 60		Total - 47			
					Average - 20		Average - 23.5			

(continued)

(Table II.2, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Beans</u> 2	Broadcast	Yes - 0	MOA	2	0-25	$\frac{2}{2}$	0-25	$\frac{1}{1}$	Villagers	1
	0	No - 2								
	Row plant 2				Total - 5 Average - 2.5		Total - 3 Average - 3			
<u>Ground Nut</u> 1	Broadcast	Yes - 1	BAMB	1	0-25	$\frac{1}{1}$	0-25	$\frac{1}{1}$	BAMB	$\frac{1}{1}$
	0	No - 0								
	Row plant 1				Total - 3 Average - 3		Total - 3 Average - 3			
<u>Sunflower</u> 1	Broadcast	Yes - 1	BAMB	1	0-25	$\frac{1}{1}$	0-25	$\frac{1}{1}$	BAMB	$\frac{1}{1}$
	0	No - 0								
	Row plant 1				Total - 6 Average - 6		Total - 6 Average - 6			
<u>Committee Members</u>										
<u>Maize</u> 2	Broadcast	Yes - 0	MOA	2	0-25	2	None			
	0	No - 2								
	Row Plant 2				Total - 24 Average - 12					

(continued)

(Table II.2, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Sorghum</u> 4	Broadcast	Yes - 1	MOA	3	0-25	2	0-25	0	Villagers	$\frac{1}{1}$
	1	No - 4	BAMB	1	26-50	$\frac{1}{3^*}$	26-50	$\frac{1}{1}$		
	Row plant. 3							$\frac{1}{1}$		
					Total - 67		Total - 40			
					Average - 22.3		Average - 40			
<u>Beans</u> 2	Broadcast	Yes			0-25	$\frac{2}{2}$	0-25	$\frac{1}{1}$	Villagers	$\frac{1}{1}$
	Row plant	No								
					Total - 5		Total - 3			
					Average - 2.5		Average - 3			

* One case missing.

APPENDIX III

AGRICULTURAL PRACTICES : MACHA SOCIETY

TABLE III.1

Type and Source of Draught Power: Non-Members, Members, and Committee Members of the Macha Co-operative Society, and the General Population

DRAUGHT SOURCE	HOUSEHOLD	HIRE	OTHER	TOTAL
<u>Non-Members</u>				
Tractor	1	4	0	5
Cattle	9	1	0	10
Donkey	<u>3</u>	<u>1</u>	<u>1</u>	<u>5</u>
Total	13	6	1	20
<u>Members</u>				
Tractor	7	1	0	8
Cattle	12	2	0	14
Donkey	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
Total	20	3	0	23
<u>Committee Members</u>				
Tractor	3	0	0	3
Cattle	3	0	0	3
Donkey	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	6	0	0	6
<u>General Population*</u>				
	Number	Percent		
Tractor	5	5.0	(3 hired tractors, 2 owned tractors)	
Cattle	85	89.0		
Donkey	<u>6</u>	<u>6.0</u>		
	96	100.0		

* Source: Gulbrandsen, "Agro-Pastoral Production", p. 56.

TABLE III.2

Ownership of Agricultural Implements Among Non-Members, Members, and Committee Members of Macha Co-operative Society, and General Population

IMPLEMENT	NON-MEMBERS		MEMBERS		COMMITTEE MEMBERS*	
	Number	Percentage	Number	Percentage	Number	Percentage
None	20	54.0	12	32.4	0	-
Plough	15	40.5	18	48.3	6	100.0
Planter	4	10.8	9	24.2	6	100.0
Tractor	2	5.4	5	13.5	3	50.0

GENERAL POPULATION*

	Number	Percent***
Plough	87	58.7
Planter	29	19.5
Tractor	2	1.3

* Calculated from Gulbrandsen, "Agro-Pastoral Production", pp. 56 and 62, based on total sample size of 148 households.

TABLE III.3

Crops, Agricultural Practices, and Output of Non-Members,
Members, and Committee Members of Macha Co-operative Society

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Non-Members</u>										
<u>Sorghum</u> 20	Broadcast	Yes - 0	Co-op	10	0-25	19	0-25	5	Co-op	3
	18	No - 20	Local		26-50	1	26-50	0	Villagers	2
	Row plant		shop	1		20		5		5
	2		Home	9						
					Total -	176	Total -	22		
					Average -	8.8	Average -	4.4		
<u>Maize</u> 11	Broadcast	Yes - 0	Co-op	7	0-25	11	0-25	1	Co-op	1
	11	No - 11	Home	4		11		1		1
	Row plant									
					Total		Total -	12		
					Average		Average -	12		
<u>Beans</u> 3	Broadcast	Yes - 0	Co-op	1	0-25	3	None			
	3	No - 3	Home	2		3				
	Row plant									
					Total -	0				
					Average -	0				

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(continued)

(Table III.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Sunflower</u> 1	Broadcast 1	Yes - 0 No - 1	Home	1	0-25	$\frac{1}{1}$	0-25	$\frac{1}{1}$	Co-op	$\frac{1}{1}$
	Row plant 0				Total - 2 Average - 2		Total - 2 Average - 2			
<u>Members</u>										
<u>Sorghum</u> 22	Broadcast 4	Yes - 3 No - 19	Co-op MOA	2 7	0-25 26-50	9 7	0-25 26-50	10 1	Co-op Villagers	7 $\frac{6}{13}$
	Row plant 18		Local shop Home	1 12	51-100 101-250 251-500 500+	3 2 0 $\frac{1}{22}$	51-100 101-250 251-500 500+	2 0 0 $\frac{1}{13}$		
					Total - 1,506 Average - 68		Total - 1,095 Average - 84			
<u>Maize</u> 13	Broadcast 1	Yes - 2 No - 11	Co-op MOA	1 6	0-25 26-50	9 2	0-25 26-50	3 3	Co-op Villagers	5 $\frac{2}{7}$
	Row plant 12		Home	6	51-100 101-250 251-500 500+	0 1 0 $\frac{1}{13}$	51-100 101-250 251-500 500+	0 0 0 $\frac{1}{7}$		
					Total - 1,303 Average - 100		Total - 1,124 Average - 160.6			

(continued)

(Table III.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Beans</u> 8	Broadcast	Yes - 2	Home	3	0-25	7	0-25	3	Co-op	3
	0	No - 6	MOA	4	26-50	0	26-50	0	Villagers	$\frac{1}{4}$
	Row plant 8		Co-op	1	50+	$\frac{1}{8}$	50+	$\frac{1}{4}$		
					Total - 104		Total - 96			
					Average - 13		Average - 24			
<u>Sunflower</u> 3	Broadcast	Yes - 2	Home	1	0-25	$\frac{3}{3}$	0-25	$\frac{3}{3}$	Co-op	$\frac{3}{3}$
	0	No - 1	Co-op	1						
	Row plant 3		RSA	1						
					Total - 32		Total - 32			
					Average - 10.6		Average - 10.6			
<u>Peas</u> 1	Broadcast	Yes - 0	Home	1	0-25	$\frac{1}{1}$	None sold			
	0	No - 1								
	Row plant 1									
					Total - 4					
					Average - 4					

(continued)

(Table III.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Committee Members</u>										
<u>Maize</u> 5	Broadcast	Yes - 3	Co-op	4	0-25	1	0-25	3	Co-op	$\frac{5}{5}$
	0	No - 2	BAMB	1	26-50	2	26-50	0		
	Row plant				51-100	0	51-100	0		
	5				101-250	0	101-250	0		
					250-500	0	251-500	0		
					500+	$\frac{2}{5}$	500+	$\frac{2}{5}$		
					Total - 9,887		Total - 9,444			
					Average - 1,977.4		Average - 1,888.9			
<u>Sorghum</u> 4	Broadcast	Yes - 2	Co-op	3	0-25	2	0-25	0	Co-op	$\frac{2}{2}$
	0	No - 2	BAMB	1	26-50	0	26-50	0		
	Row plant				51-100	0	51-100	1		
	4				101-250	0	101-250	0		
					251-500	1	251-500	0		
					500+	$\frac{4}{4}$	500+	$\frac{1}{2}$		
					Total - 1,433		Total - 1,087			
					Average - 477.7		Average - 543.5			

(continued)

(Table III.3, Crops, Agricultural Practices, and Output, cont.)

CROP AND NUMBER GROWING CROP	PLANTING	FERTIL- IZER USE	WHERE SEEDS OBTAINED		OUTPUT (Bags)		OUTPUT SOLD (Bags)		OUTPUT SOLD TO WHOM	
			Place	Number People	Output	Number Producing	Output	Number Selling	Buyer	Number Selling
<u>Beans</u> 2	Broadcast	Yes - 1	Co-op	2	0-25	$\frac{2}{2}$	0-25	$\frac{1}{1}$	Co-op	$\frac{1}{1}$
	1	No - 1								
	Row plant									
	1				Total - 8		Total - 1			
					Average - 4		Average - 1			
<u>Sunflower</u>	Broadcast	Yes - 2	MOA	2	101-250	1	101-250	1	BAMB	$\frac{2}{2}$
	0	No - 0								
	Row plant									
	2									
					Total - 280		Total - 280			
					Average - 140		Average - 140			

APPENDIX IV

METHODOLOGY

The geographic jurisdiction of the CFDA and that of the co-operatives overlap but are not identical. The entire CFDA is covered by the combined jurisdictions of the three co-operatives yet the co-operatives serve large regions outside of the CFDA (see map, p. viii). For this reason, villages in which interviews were conducted were selected on the basis of their location in relation to the CFDA and the number of members residing therein. Within the geographic jurisdiction of each society, villages were selected both within and outside the CFDA. Villages with few members were not chosen because of time and logistical constraints. Finding and interviewing members scattered over a large territory was judged to be extremely costly and time consuming.

Lists of co-operative members and their residence were obtained at the societies' offices. Attempts were then made to interview all the members resident in the selected villages.

When interviews with all the available members had been conducted, attention was given to non-members. Care was taken to interview an equal number of members and non-members from the same village. Where possible, these were drawn from within the same neighbourhood to reduce bias resulting from 'ward' differences within the village.

There are several limitations to the methodology employed in this research. The selection of people to be interviewed was not random. Selecting members on the basis of their village residence precludes inferential statistical analysis. Logistical and time constraints under which the study was conducted dictated a case study approach in which statistical analysis could play only a minor part.

It was sometimes difficult to locate co-operative members. Many were not available at the main village but were away at their fields. Some could not be found at all. Those who could be located at their fields were interviewed. This created difficulties in measuring their relative levels of wealth and in interviewing an equivalent number of non-members within the same vicinity and what appeared to be the equivalent level of wealth. This problem was mostly encountered when dealing with the Macha Society. This was due to the timing of the interviews when many people were busy at their lands, and because the migratory pattern of a residence at the main village, lands, and cattlepost is the most pronounced in that area compared with that found among people living within the jurisdictions of the other two societies. The information obtained could thus be biased towards those people who do not plough, since many of those who do plough were away from the main village and thus difficult to contact. As a

consequence, the data should not be taken as representative of the village populations. As case studies however, they may be indicative of situations and problems of the areas studied.

Relative wealth was measured by a seven-item scale of items in the respondent's possession or characteristics found at respondent's lolwapa. For more information, see Willie Henderson, "A Note on Economic Status and Village House Types", Botswana Notes and Records, vol. 5, 1974. Below is the Guttman Scale utilised in this report:

1. Respondents lolwapa contains more than one hut.
2. House has glass windows
3. House has a metal door frame.
4. House has a cement construction.
5. House has a tin roof.
6. House has a toilet or latrine.
7. Respondent owns a truck, car, or tractor.

The items used to classify people into different wealth categories were defined with the following items: 'poor', 0; 'moderately poor', 1-2; 'moderately rich', 3-6; 'rich', 7.

The co-operative's records held at their respective offices and at the Co-operative Development Centre (CODEC) at Sebele, provided information on the financial and economic status of the societies. These records also provided insights into the relationships between the societies and their central 'apex' organisations.

Interviews were conducted with officials at the District and national levels of the Botswana Co-operative Union, Botswana Co-operative Bank, and CODEC. Discussions were also held with societies' Committee members and managers, District and local agricultural officials, and other key informants. The discussion provided qualitative information concerning the co-operatives' organisational and managerial dynamics, history and development, and attitudes regarding future co-operative policy.

Name of Village _____

SOCIO-ECONOMIC PROFILE (Members)

1. Dwelling (Guttman Scale of Relative Wealth)

- A. House has a good thatch roof in good repair.
- B. House has a metal door frame.
- C. House has glass windows.
- D. House has a tin roof.
- E. House has a cement construction.
- F. House has a toilet or latrine.
- G. Respondent owns a truck, car, or tractor.

2. Name of respondent _____

3. Male _____

4. Female _____

5. Age _____

6. Education: None _____ Formal _____ Standard _____

7. Who is the head of the household? Man _____ Woman _____

8. Who are the family members?

<u>MAN</u>	<u>WOMAN</u>	<u>AGE</u>	<u>RELATION</u>	<u>EDUCATION</u>	<u>WORK</u>

9. Are there members of the household working outside of the household?
Yes _____ No _____

If no, go on to question 11.

10. If yes, what are their ages, work, and did they send money or gifts last year?

<u>MAN</u>	<u>WOMAN</u>	<u>AGE</u>	<u>MONEY</u>	<u>GIFT</u>

11. Did you plough last year? Yes _____ No _____

12. Where did you obtain the draught?
in the household _____
relatives _____
hire _____
other (specify) _____

13. What did you plough with?
tractor _____
cattle _____
donkey _____
other (specify) _____

14. CROP ROWPLANT BROADCAST WHERE DID YOU OUTPUT HOW OUTPUT

15. What did you use to transport the crop you sold?
donkey cart _____
sledge _____
hire (specify) _____

16. If you hired, how much did you pay? _____

17. What agricultural implements do you own?
plough _____
tractor _____
planter _____
threshing machine _____
vehicle _____
other (specify) _____

18. Do you own goats or sheep? Yes _____ No _____

19. Do you own cattle? Yes _____ No _____

20. Did you sell any cattle, goats, or sheep in the past year?
Yes _____ No _____

3. How much share capital have you purchased? _____

4. What is purpose of the co-operative? _____

5. How can the co-operative help people?

sale of cattle _____

sale of smallstock _____

distribution of
agricultural inputs _____

distribution of
livestock inputs _____

crop marketing _____

other (specify) _____

6. What services of the co-operative have you used?

sale of cattle _____

sale of smallstock _____

distribution of inputs _____

crop marketing _____

other (specify) _____

7. Are there any problems with the co-operative? If yes, what are they?

8. Do you have any complaints about the management of the co-operative?

9. Do you know the members of the Committee?

Yes _____ No _____

10. Who are they?

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

11. When were the last elections for the Committee? _____

12. Did you vote in the elections? Yes _____ No _____

If yes, why did you vote for the people for whom you voted? If no, what were your reasons for not voting?

13. What is the Committee supposed to do?

14. Do you think the Committee is doing well? Fair? Poorly? Why?

15. When was the last meeting of the co-operative? _____

16. Did you go? Yes _____ No _____

If no, why not? _____

17. What services would you like the co-operative to provide, that it currently is not providing?

sale of agricultural input
(seeds, fertilizer, etc.) _____

lend or sale of draught animals _____

sale of livestock inputs _____

sale of consumer goods _____

crop purchasing agent for BAMB _____

credit/loans _____

other (specify) _____

18. If credit, how much money do you want?

What would you do with the money?

fencing fields _____

agriculture production _____

purchase livestock _____

purchase livestock inputs _____

other (specify) _____

19. Have you heard of ALDEP? Yes _____ No _____

If yes, how? _____

Do you think that the co-op has been helpful to you with ALDEP?

Yes _____ No _____

Do you want ALDEP assistance? Yes _____ No _____

If you want ALDEP assistance, how much would you want to borrow?

What would you do with it? _____

20. Is there an Agricultural Demonstrator who works in this village?

Yes _____ No _____

21. What is his name? _____

22. When was the last time you saw the Agricultural Demonstrator?

Comments:

11. Did you plough last year? Yes _____ No _____

12. Where did you obtain the draught?
in the household _____
relatives _____
mafisa _____
hire _____
other (specify) _____

13. What did you plough with?
tractor _____
cattle _____
donkey _____
other (specify) _____

14. CROP ROWPLANT BROADCAST WHERE DID YOU OUTPUT HOW OUTPUT

<u>CROP</u>	<u>ROWPLANT</u>	<u>BROADCAST</u>	<u>WHERE</u>	<u>DID YOU</u>	<u>OUTPUT</u>	<u>HOW</u>	<u>OUTPUT</u>

15. What did you use to transport the crop you sold?
donkey cart _____
sledge _____
hire (specify) _____

16. If you hired, how much did you pay? _____

17. What agricultural implements do you own?
plough _____
tractor _____
planter _____
threshing machine _____
vehicle _____
other (specify) _____

18. Do you own goats or sheep? Yes _____ No _____

19. Do you own cattle? Yes _____ No _____

20. Did you sell any cattle, goats, or sheep in the past year?
Yes _____ No _____

2. What is the purpose of the co-operative? _____

3. Why have you not joined the co-operative? _____

4. How can the co-operative help you?

5. Who do you think are the members of the co-operative?

big farmers _____

small farmers _____

all farmers _____

people who own many cattle _____

others (specify) _____

6. Do you think the co-operative can help you ?

Yes _____ No _____

If yes, how can the co-operative be helpful?

marketing of agricultural inputs _____

marketing of cattle _____

consumer shop _____

providing agricultural implements _____

credit/loan _____

other (specify) _____

If no, why not? _____

7. If you want credit:

How much do you want? What would you do with it?

8. Have you heard of ALDEP? Yes _____ No _____

If yes, how? _____

If yes, do you want ALDEP assistance? Yes _____ No _____

If you want ALDEP assistance, how much would you want to borrow?

9. Is there an Agricultural Demonstrator who works in this village?

Yes _____ No _____

10. What is his name? _____

(correct _____) (incorrect _____)

11. When was the last time you were advised by the Agricultural Demonstrator? _____

12. When did you last attend a meeting with the Agricultural Demonstrator? _____

Comments:

FOOTNOTES

1. There are thrift and loan societies in Pitsane and Mmathete. These were not examined because of the intent of focussing on the more agricultural related societies in the area.

2. The break in field work occurred as a result of the injury of the author.

3. Much of this information is drawn from two works by Richard Morgan. These are: "Livestock Marketing Cooperatives in Botswana's Growth Economy", Yearbook of Agricultural Cooperation, 1981 (Oxford, Eng.: Plunkett Foundation), and "Agricultural Cooperatives in Botswana", mimeo. (National Institute of Research, 1981). These should be consulted for additional information.

4. Richard Morgan, "Agricultural Co-operatives in Botswana", mimeo. (National Institute of Research, 1981), p. 2.

5. Ibid., p. 2.

6. Ibid.

7. Phileman P. Tshoagong, "Cooperative Development in Botswana", Paper presented at Eighth Cooperative Seminar, International Cooperative Training Center, University of Wisconsin-Madison, September 12, 1960 - January 23, 1969, mimeo., p. 7.

8. Yearbook of International Co-operation 1949 (Oxford, Eng.: Plunkett Foundation for Co-operative Studies), p. 330.

9. Morgan, "Cooperatives in Botswana", p. 6.

10. Ibid., p. 7.

11. Ibid., p. 8.

12. Ibid., p. 23.

13. Ibid., p. 26.

14. Morgan, "Livestock Marketing Co-operatives", p. 91.

15. Morgan, "Cooperatives in Botswana", p. 26.

16. Comaroff (1977) stated that there were three earlier co-operatives in the Barolong Farms, located in Go-makoto, Papatlo, and Pitlharapa. However, no respondents spoken to mentioned a co-operative in Pitlharapa.

17. Personal communication with Agricultural Demonstrator in Ramatlama. This is also mentioned by Comaroff (1977).

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18. John C. Comaroff, "The Structure of Agricultural Transformation in Barolong", (Gaborone: Government Printers; University of Manchester, 1977), p. 5.

19. Central Statistics Office, Rural Income Distribution Survey, *passim*.

20. Iain McDonald, "Report on Livestock Marketing in Botswana", Chapter on Ngwaketse/Barolong, p. 2.

21. Ibid., p. 2.

22. Ibid., p. 3.

23. Comaroff, "Structure of Agricultural Transformation", p. 6.

24. Paul Heisey, "Agriculture and Agricultural Target Populations in Southern District's Communal First Development Area", p. 46.

25. Personal communication with CODEC auditor.

26. Deepa Narayan-Parker, "Factors Affecting Small Scale Production in Rural Botswana", mimeo., p. 12.

27. Heisey, "Agriculture and Agricultural Target Populations", p. 31.

28. McDonald, "Report on Livestock Marketing in Botswana," Chapter on Ngwaketse/Barolong, p. 2.

29. Olnulf Gulbrandsen,, "Agro-Pastoral Production and Communal Land Use" (Gaborone: Rural Sociology Unit, Ministry of Agriculture, Government Printers; and University of Bergen, 1980).

30. Ibid., p. 155.

31. Louise Fortmann, "Women's Agriculture in a Cattle Economy" (Rural Sociology Unit, Ministry of Agriculture, May 1981), p. 64.

32. Gulbrandsen, "Agro-Pastoral Production and Communal Land Use", p. xiii.

33. McDonald, "Report on Livestock Marketing in Botswana", Chapter on Ngwaketse/Barolong, p. 2.

34. Ibid., p. 2.

35. Ibid., p. 32.

36. Doug Maher, "Cattleman's Concerns", Occasional Paper No. 1, (Division of Extra-Mural Services, University of Botswana and Swaziland), p. 14.

37. Heisey, "Agriculture and Agricultural Target Populations", p. 46.

38. Don Kanel, "Some Observations Based on Issues Raised in the Nine Workshops on Cooperatives, Small Farmers and Development," mimeographed (March 1978), p. 11.

39. B.J. Youngjohns and Trevor Bottomly, "Some Lessons in Cooperative Development: The Case of Botswana", Yearbook of Agricultural Cooperation, 1976 (Oxford, Eng.: Plunkett Foundation for Cooperative Studies, 1976).

40. Richard Gerald Morgan, "Agricultural Cooperatives in Botswana" (Gaborone: National Institute of Research, 1981).

41. Ibid.

INTERVIEWEES

Mr. P. Berglund	ILO Advisor, BCB
Mr. M. Jacob	Livestock Marketing Advisor, BCU
Mr. C. Kuhumile	BCU, Lobatse
Mr. K. Lekoma	Southern District CFDA Co-ordinator
Ms. Mabote	Manager, Macha Society
Mr. Mokone	Senior Agricultural Economist, Ministry of Agriculture
Mr. Makaka	Manager, Ikageng/Barolong
Mr. P. Matsetse	Senior Co-operative Officer; Marketing, CODEC
Ms. Molefi	Acting Head; Credit and Banking; CODEC
Mr. Moncho	Chairman, Ikageng/Barolong
Mr. Motlhatlhadi	Vice-Chairman, Ikageng/Barolong
Mr. Melky	ILO Advisor; Training and Education, CODEC
Mr. Tatlha	District Agricultural Officer, Ngwaketse/South
Mr. Tau	Deputy Commissioner, Co-operatives
Mr. Tlhobogong	Manager, Ikageng/Barolong
Mr. D. Tlhong	Phitshane, Mologo Society
Mr. P. Tsimamma	Assistant Commissioner, Co-operatives

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