

5 July 2003

**Statement of H.E. Mr. Jan Kavan,
President of the 57th Session of the General Assembly,
on International Day of Co-operatives
“Co-operatives Make Development Happen!”**

In 1995, the United Nations General Assembly designated the first Saturday of July each year, as International Day of Co-operatives at the occasion of centennial anniversary of the International Co-operative Alliance, which has been celebrating this day since 1923.

Co-operative efforts have undeniably a very long history. People had to co-operate since the earliest times to kill large animals for survival, to harvest their crops and to achieve all other objectives that they could not attain if they acted individually. Already ancient records show that Babylonians practiced co-operative farming and that the Chinese developed savings and loan associations similar to those in use today.

However, the co-operative as a modern business structure originated only in the middle of the 19th century in Britain. In response to the harsh living conditions brought forth by industrialization, some former wage laborers began to form co-operative businesses to meet their needs. Though not the first, the most famous one became a consumer co-operative "Rochdale Society of Equitable Pioneers" founded in Lancashire textile town of Rochdale in 1844. Its founders established a unique combination of written policies that governed affairs of their co-operative, which very soon became a model for similar co-operatives around the world. Among those rules were: democratic control by members, payment of limited interest on capital, and net margins distributed to members according to level of their patronage. Those basic principles did not have to change till now and have remained inspiring ideals for around 760 million people in 100 countries, who are currently members of co-operatives.

It is unfortunately a sad reality that the working conditions and economic situation of billions of people in today's world are still similar to those that were confronted by the pioneers of the Co-operative Movement in the 19th century. Underdevelopment still remains one of the major challenges all around the globe and it is also one of the most important issues for the United Nations. This was clearly demonstrated by the series of international conferences held by the United Nations in the last decade resulting in the Millennium Development Goals (MDG) and other similar time bound developmental commitments of the international community.

On the occasion of this International Co-operative Day, I have the pleasure to acknowledge that the Co-operative Movement is, for the United Nations, one of the very important partners in attaining the Development goals. The founders of the first co-operatives realized already in the 19th century that they could improve their lives by working together. Co-operative Movement

has been since, an indispensable and influential part of economic and social development and it is beyond doubt that co-operatives truly make development happen.