



B.Com Honours

Semester V

Calicut University

COOPERATIVE THEORY AND PRACTICE

Course Code: COM5EJ305 • Module 1 Notes

Module I: Origin of Cooperative Movement in the World

Provides theoretical foundations of cooperation, comparative analysis against capitalism and socialism, and historical evolution across Great Britain, Germany, Denmark, China, Japan, USA, and USSR.

Unit 1: Concept, Features, & Economic Systems Comparison

Co-operation: Autonomous association of persons united voluntarily to meet common economic, social, and cultural needs through a jointly-owned and democratically-controlled enterprise ("Each for all and all for each").

Unit 2: Origin in Great Britain, Germany, & Denmark

- 1. **Great Britain:** Rochdale Society of Equitable Pioneers (1844 - Consumer Co-ops). Robert Owen & Charles Fourier.
- 2. **Germany:** Friedrich Raiffeisen (Rural Credit Co-ops) & Franz Schulze-Delitzsch (Urban Credit Co-ops).
- 3. **Denmark:** Dairy Cooperatives & Agricultural Export Co-ops.

Unit 3: Global Movement – China, Japan, USA, & USSR

China: Induscos (Industrial Cooperatives).
Japan: Multi-purpose Agricultural Cooperatives (JA Group).
USA: Agricultural Marketing & Farm Credit Cooperatives.
USSR: Kolkhozi (Collective Farms) & Sovkhozi (State Farms).

Practical Case Framework 1 (Cooperation vs Capitalism vs Socialism Matrix): Compare economic systems across ownership, objective, voting rights, and surplus distribution.

Comparative Analysis of Economic Systems:			
System Feature	Capitalism System	Socialism System	Cooperative System
Primary Objective	Profit Maximization on Capital Investment	State Welfare & Centralized Equity	Service to Members ("Each for all")
Asset Ownership	Private Capitalists / Share Holders	State / Government Ownership	Member Joint Ownership
Control & Voting	1 Share = 1 Vote (Capital Dominance)	State Appointed Bureaucracy	1 Member = 1 Vote (Democratic Control)
Surplus Distribution	Dividend proportional to Shares held	State Treasury Appropriation	Patronage Dividend based on purchases

Practical Case Framework 2 (Global Pioneer Cooperative Models Matrix): Map pioneer leaders, countries of origin, and primary cooperative functional specializations.

Global Cooperative Pioneers Reference Table:

Country of Origin	Pioneer Leader / Institution	Cooperative Specialization Model
Great Britain	Robert Owen / Rochdale Pioneers (1844)	Consumer Cooperative Stores
Germany	Friedrich Raiffeisen / Schulze-Delitzsch	Rural Credit & Urban Peoples' Banks
Denmark	Danish Dairy Cooperative Societies	Dairy Processing & Agricultural Exports
Japan	JA Group (Nokyo)	Multi-purpose Agricultural Cooperatives
China	Rewi Alley / Induscos	Industrial Worker Cooperative Societies

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