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SOURCE Informativni prirucnik o Jugoslaviji.DEVELOPMENT OF COOPERATIVES IN YUGOSLAVIA

The following report is based on articles in the Informativni prirucnik o Jugoslaviji, a handbook published in sections since late 1948 by the Yugoslav Directorate for Information.

Numbers in parentheses refer to appended sources. 7

Cooperatives in Yugoslavia date from the last century. In Ljubljana, in 1855, an artisans' cooperative was established on the Sulce-Delic principle. In the 1870's, the cooperative movement (artisans' cooperatives) gained stronger impetus, especially in Slovenia under the leadership of Mihailo Vosnjak and in Serbia under the leadership of Svetozar Markovic.

In the 1890's, concurrently with the penetration of goods and money relations into villages, farm-work cooperatives began developing, especially in Slovenia under the leadership of Janez Krsek and in Serbia under the leadership of Mihailo Avramovic. By World War I, farm work cooperatives were extensively developed in the countries of present-day Yugoslavia, except in Macedonia and Montenegro. In 1920, there were 15 cooperative associations comprising about 3,500 cooperatives. By 1925, the number of cooperatives had increased to 3,943; by the end of 1939, there were 38 supervisory unions and 45 operational associations, comprising 11,309 cooperatives. These were credit cooperatives (44.5 percent), procurement-consumer cooperatives (24 percent), farm-work production cooperatives (18.4 percent), artisans' production and processing cooperatives (1.5 percent), and other cooperatives such as fishing, health, housing, and the like (11.6 percent). Ninety percent of the procurement-consumer and credit cooperatives were comprised of farm-work cooperatives. All cooperatives were members of the Main Cooperative Association.

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Cooperatives united agricultural producers and connected them with banks, industry, and commerce. It was through cooperatives that farmers obtained credit and industrial goods, and collected and sent their products to market. Cooperatives enabled farmers to obtain cheaper credit, procure goods through fewer middlemen, and organize the sale of their products, and to some extent helped farmers increase agricultural production. By uniting in cooperatives, farmers tried to resist capitalist pressure and exploitation. However, in a capitalist society, cooperatives also had to have a capitalist character. They paved the way for capitalists to enter the villages, strengthened capitalist elements in the villages, and were a convenient instrument in the hands of financial capital and the village bourgeoisie. Prominent reactionaries and representatives of the monarchofascist dictatorship, such as Korosec, Ljotic, and Natlacen, had leading roles in the cooperative movement. Therefore, despite their large number, cooperatives did not play much of a role in the economic and social life of prewar Yugoslavia, nor could they be of much use to the working people.

During the occupation most of the reactionary leadership of cooperative associations joined the occupation, including Ljotic and Mihailo Avramovic in Serbia, the Clerical Cooperative Association in Slovenia, and cooperatives under the leadership of the Ustashi in Croatia. Cooperatives which did not want to work for the occupying enemy were either liquidated or forced to abstain from activity. After the liberation, only 5,140 cooperative organizations were in a position to resume work.

In postwar Yugoslavia, agricultural cooperatives were soon re-established and reorganized. They gradually lost their capitalist character and acquired a socialist character. Their leadership was taken over by farm workers, and cooperatives became a part of the socialist sector of the economy. Cooperatives played an important role in the struggle against capitalist speculation and the difficulties in the commerce and supply system; exchange of goods between village and city was developed through them. Agricultural and artisans' cooperatives acquired importance as a means of including small producers in the planned economy and in the socialist development of the country. Cooperatives of blue- and white-collar workers also developed.

By the end of 1948, Yugoslavia had the following number of cooperatives:

<u>Year</u>	<u>Agricultural Cooperatives (including farm-work co- operatives)</u>	<u>Artisans' Cooperatives</u>	<u>Blue- and White-Collar Workers' Cooperatives</u>	<u>Total</u>
1945	5,072	440	367	5,879
1948	9,984	1,258	315*	11,399

*This decrease was due to the establishment of the Workers' Supply Service, which took over the function of supplying blue- and white-collar workers in enterprises.(1)

Cooperatives developed more rapidly in 1949 and 1950 than in previous years. By the end of 1950, there were 18,121 cooperatives in Yugoslavia.

Cooperatives received from the state, for operating capital, credits totaling 6,277,813,000 dinars in 1948, 7,873,588,000 dinars in 1949, and 11,351,657,000 dinars in 1950. Investment credits totaling 1,791,503,000 dinars were granted farm-work cooperatives in 1948, 3,322,748,000 dinars in 1949 and 4,380,583,000 dinars in 1950. To build cooperative centers, cooperatives utilized 1,131,836,000 dinars in 1948, 1,337,055,000 dinars in 1949, and 1,188,642,000 dinars in 1950. Cooperatives pay the National Bank only one percent annual interest on credits for investment construction.

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In the building of cooperative centers, only a part of the building was financed by credits made available through the National Bank. The main part of the burden was borne voluntarily by cooperatives or their members, who donated and prepared construction materials and donated labor. By the end of 1950, 2,500 cooperative centers had been completed, and 1,600 others were under construction.

The capital construction plan in the cooperative sector was very extensive in 1950; 7,781 projects were made fully available for service, primarily stables, pigsties, fattening pens, and storehouses; 3,461 additional farm buildings were roofed; walls of 2,985 farm buildings were completed to the roof; and foundations were laid for 1,958 new farm buildings.

In 1950, the Foundations for Mechanization and Investment Construction in Cooperative Agriculture turned over the following items to farm-work cooperatives: 2,448 tractors, 2,669 tractor-drawn plows, 2,525 harrows, 1,173 binders, 1,714 threshers, 293 locomobiles, 2,600 other machines, and a large number of other tools and implements.

The number of persons trained for work in cooperatives increased as follows: 2,396 in 1947, 5,509 in 1948, 27,817 in 1949, and 15,145 in the first 5 months of 1950. In reorganizing its agencies the state transferred displaced highly qualified and medium-qualified personnel to cooperatives as agronomists, veterinarians, and economists.

The percentage of livestock in cooperatives, as compared with total number of livestock, was as follows:

	<u>15 Jan 1949</u>	<u>15 Jan 1950</u>	<u>15 Jan 1951</u>
Horses	3.1	16.8	18.2
Cattle	2	12.8	15
Sheep	3.1	18	22.6
Pigs	5.2	15.7	19.8
Poultry	3.4	15.14	17.4

Cooperatives had 587,022 hectares of land in 1948, 1,955,300 hectares in 1949, and 2,289,575 hectares in 1950.(2)

* * *

Agricultural cooperatives today represent the economic organization of farm workers, whose goals are to increase agricultural production, to raise economic and cultural levels in villages, and to develop socialism in villages. The activities of agricultural cooperatives include: the growing of cereals and vegetables, fruits, and other agricultural products; the raising of livestock; fishing; beekeeping; forestry; and similar activities. To meet their own needs, agricultural cooperatives also engage in industrial and artisans' activities. Procurement and selling are also a major part of their work.

Agricultural cooperatives are organized on the principle of voluntary efforts and internal democracy. All members of a cooperative are equal, with equal rights and equal duties. The cooperative is administered by a staff elected by its members at assembly meetings. The assembly is the highest organ

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of the cooperative which issues and amends regulations, and accepts and expels members. Any farm worker over 16 may be a member of a cooperative. Rich farmers may be accepted into cooperatives only if their attitude guarantees they will observe the principles governing the cooperative's organization and work.

Cooperative land and other cooperative means of production form the basis of cooperative economic activity. The means of production in a cooperative may be cooperative property, state property on loan to the cooperative, or property belonging to members which they bring in under certain conditions.

The cooperative carries out its activities on the basis of its own economic plan. Its economic plan comprises the economic activities of the cooperative and the economic activities of its members which they carry out for the cooperative on their personal plots. The economic plan of a cooperative is a component part of the plan of the srez association of agricultural cooperatives, which in turn is a component part of the plan of the srez people's council and thus a component part of the state economic plan.

Agricultural cooperatives are organized as follows:

General Agricultural Cooperatives

General agricultural cooperatives represent the broadest economic organization of farm workers. General agricultural cooperatives originated largely from agricultural cooperatives for procurement and selling. These were the lowest form of agricultural cooperative and until recently the most widespread. Their activities were confined to the purchase and sale of industrial goods in villages, and to the sale of agricultural products in cities and to industrial enterprises. Such cooperatives played an important role in the creation and development of economic ties between villages and cities and between agriculture and industry, and were a component part of socialist commerce.

The economic and social development of the country and the development of the cooperative movement called for and made possible the development and expansion of the activities of cooperatives for procurement and selling and their merger with processing, credit, and farm-work cooperatives into a single agricultural cooperative. In addition to its procurement and selling activities, the general agricultural cooperative expanded its activities to include processing, organizing of workshops, developing of agricultural production, organizing of joint production on cooperative farms, and organizing machine, stud, and seed stations; organizing of seedling centers, bee centers, cattle farms, fishing, and forestry; organizing artisans' and industrial production for their own needs; and engaging in savings and credit operations.

General agricultural cooperatives, therefore, have a very important role in the economic development of villages. In addition to developing agricultural production, they deal with many village communal problems, such as electrification, health and veterinary stations, water supply, and construction of cooperative centers. They also contribute to the technical, cultural, educational, ideological, and political advancement of villages.

A general agricultural cooperative, which normally is set up to include a village area, includes almost all farm workers in it. Members of the cooperative retain personal plots, which they may turn over for the use of the cooperative, partially or entirely. From the resources thus brought in, and from resources received from the state or purchased, the cooperative forms its economic unit. Production is organized on the basis of tools and equipment used cooperatively and on the basis of joint, cooperative work. The economic unit represents the cooperative farm, which includes the land, the cooperative machine station, cooperative workshops, draught animals, and the like. One form of the cooperative economic unit is the cooperative livestock farm, which is managed as a separate unit within the cooperative.

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Income from the cooperative is divided into capital for the expansion of cooperative production and income for members based on means of production they contributed and number of workdays they contributed.(1)

General agricultural cooperatives* have developed as follows:

<u>Year</u>	<u>No of Cooperatives</u>	<u>No of Members</u>	<u>No of Consumers</u>	<u>Cooperative Land (ha)</u>
1945*	5,041	493,800	--	--
1946*	8,011	1,807,798	10,011,820	--
1947*	6,632	2,535,408	10,516,655	--
1948	8,666	3,127,464	11,896,471	262,038 (1)
1949	9,060	3,172,666	12,497,481	--
1950	8,004	3,540,339	13,000,000 (about)	-- (2)

*Until 1948, they were called cooperatives for procurement and selling.(1)
The reduction in the number of cooperatives in 1950 resulted from mergers, carried out at the request of members, guided by the principle that there should be one general agricultural cooperative within the sphere of each local people's council.(2)

As of 31 December 1948, general agricultural cooperatives in the republics were distributed as follows:

	<u>No of Cooperatives</u>	<u>No of Households</u>	<u>No of Members</u>
Serbia	3,343	988,319	1,468,502
Croatia	1,810	613,417	725,034
Slovenia	1,158	162,815	193,785
Bosnia-Herzegovina	1,302	341,714	389,015
Macedonia	923	195,611	245,145
Montenegro	131	46,028	105,983
Total	8,667	2,347,904	3,127,464

By the end of 1948, joint cooperative property in general agricultural cooperatives included 262,038 hectares of land, 721 large machines (tractors and threshers), 23,033 medium and small machines, 5,230 horses and cattle, and 11,455 goats and sheep. Cooperatives had 2,025 cooperative auxiliary establishments (seedling centers, experimental and seed stations, smokehouses) and 2,346 workshops.(1)

The number of consumers using general agricultural cooperatives has grown, so that every farmer is a consumer of a general agricultural cooperative.

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The number of cooperative members can be increased through enrolling all members of a household (which belongs to a cooperative) over the age of 18, as is called for by the law. The number of women joining the cooperative movement in the postwar period has increased from: 377,743 in 1946, 937,822 in 1947, and 1,367,987 in 1948 to 1,959,782 in 1949.

General agricultural cooperatives had 2,120 farms in 1949 and 1,149 in 1950. The decrease in 1950 resulted from general agricultural cooperatives fulfilling their basic mission, that of transforming themselves into farm-work cooperatives.

General agricultural cooperatives developed extensive economic activity as evidenced by the following: in 1950, they had 1,259 industrial enterprises, 3,424 artisans' workshops, 2,081 hotel and restaurant operations, 767 agricultural machine and implement stations with over 10,000 agricultural machines and implements, 324 stock breeding stations with about 2,000 head of breeding stock, 58 livestock farms with about 13,000 head of stock, 82 fruit tree and vine nurseries, and 71 health stations.

Trade in general agricultural cooperatives totaled almost 19 billion dinars in 1948 and over 16 billion dinars in 1949, although trade was generally limited to that at fixed prices, while state purchasing of agricultural production diverted most of it to the state trade system. In 1950, trade in general agricultural cooperatives totaled 25,225,865,000 dinars, or 55 percent more than in 1949.

Savings and credit activities of general agricultural cooperatives were as follows:

<u>Year</u>	<u>No of Savings and Credit Branches</u>	<u>No of Depositors</u>	<u>Total Deposits (dinars)</u>
1949	4,197	62,271	84,300,000
1950	4,384	90,601	122,452,000

In addition, farmers subscribed 1,552,700,000 dinars to the Second People's Loan in 1950.(2)

Farm-Work Cooperatives

Farm-work cooperatives today represent the highest form of agricultural cooperative and one of the most widespread. Farm-work cooperatives are divided into four types.

In the first type, members bring land into the cooperative, retain ownership rights to it, and are paid a fixed rent by the cooperative for it.

In the second type, members bring land into the cooperative, retain ownership rights to it, and receive interest from the cooperative on the value of the land.

In the third type, members bring land into the cooperative, retain ownership rights to it, but waive any rent or interest on it.

In the fourth type, members bring land into the cooperative and waive ownership rights to it.

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When establishing a cooperative, its members determine the type of cooperative it is to be. The assembly of a cooperative may decide that a lower type of cooperative shall be changed into a higher type. The members of a farm-work cooperative bring all their land into the cooperative, farm buildings, all tools and implements, draught animals and breeding stock, fodder and seed, except what they are entitled to retain as their household property. The cooperative reimburses members for their land, implements, and livestock within 5-10, or 10-15 years, depending upon whether the stock of agricultural implements, livestock, and farm buildings is small, medium-sized, or large.

Each household joining a farm-work cooperative is entitled to retain household property of up to one hectare of agricultural land, the dwelling, farm buildings needed, one to two cows, one pig with offspring, up to five sheep, up to ten beehives, and an unlimited number of poultry. In mountainous regions where livestock raising is predominant, the amount of land and the number of livestock to be retained are larger. The cooperative assists its members in working their household plots by lending them necessary implements. Tasks in farm-work cooperatives are organized on the basis of work units, brigades, and groups. Each unit is responsible for its work sector. Payments for work are based on the tasks completed or the workdays completed, and are settled in cash or in cash and payment in kind.

Income of farm work cooperatives is divided into cooperative funds, rents or interest, and the earnings of members.

Farm-work cooperatives have a basic fund, working funds, reserve funds, a social security fund, and a fund for culture and education. The basic fund cannot be divided; it consists of land, machinery and tools, installations, buildings, and livestock, and monetary resources destined for increasing the basic fund. Working funds consist of a seed fund, a fund for livestock fodder, and other working resources. Reserve funds consist of a reserve seed fund, a reserve fund for livestock fodder, and a reserve fund for food. The social security fund serves members in cases of temporary or permanent work disability, provides for the maintenance and education of unprovided for children, provides for nurseries and nursery schools and for the medical needs of members and the like. The fund for culture and education serves the cultural and educational needs of members. Cooperative funds as a whole may total no more than 30 percent of the income of the cooperative.

The amount of rent or interest to be paid for land brought into cooperatives of the first and second type is determined by the cooperative's assembly, but the total rent may not exceed 30 percent of the cooperative's total income, and interest may not exceed the maximum interest rate set by the state.

The balance of the cooperative's income is distributed as earnings to members, usually amounting to about 70 percent of the cooperative's total income, or 50-200 dinars a workday or 10,000-15,000 dinars annually per household.

Farm-work cooperatives started developing rapidly after the Second Plenary Session of the CK KPJ (Central Committee of the Yugoslav Communist Party), held in January 1949, when it established that socialist development had created conditions and possibilities favorable to more rapid development of agricultural cooperatives and that it was necessary to speed up the development of agricultural cooperatives as a whole, and farm-work cooperatives in particular. The number of cooperatives increased as follows.

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<u>Yr</u>	<u>No of Cooperatives</u>	<u>No of Households</u>	<u>Area (ha)</u>
1946	454	25,062	121,518
1947	779	40,590	210,986
1948	1,318	60,158	323,984 (1)
1949	6,625	340,739	1,839,978
1950	6,968	418,659	2,226,166

Although the number of farm-work cooperatives grew rapidly until the end of 1949, only 343 new cooperatives were established in 1950, for 1950 was devoted chiefly to the expansion of already established cooperatives. An average of 51 households per cooperative in 1949 increased to an average of 60 households per cooperative in 1950. Average land holdings increased from 290 hectares per cooperative in 1949 to 320 hectares in 1950.

By the end of 1950, farm-work cooperatives included 18.11 percent of all farm households and 19.1 percent of the agricultural area of Yugoslavia. The highest degree of collectivization was achieved in the grain-growing areas, because conditions were very favorable to collectivization in these areas. By the end of 1950, farm-work cooperatives in the Vojvodina included 39.2 percent of its rural households and 41.5 percent of its land.

The development of farm-work cooperatives in the republics was uneven because of different economic and political conditions in them. At the end of 1950, farm-work cooperatives were distributed as shown below. (The rate of collectivization by households and land area is calculated in relation to the total number of rural households and total farm land. Forests, swamps, and marshes are not included in land area.)

	<u>No of Farm-Work Cooperatives</u>	<u>No of Households</u>	<u>Percent of Total Rural Households</u>	<u>Total Land Area (ha)</u>	<u>Percent of Total Farm Land</u>
Serbia	2,091	174,046	17.8	962,206	19.5
Croatia	1,591	68,793	11.7	320,072	12.2
Slovenia	379	8,570	5.3	81,924	9.3
Bosnia-Herzegovina	1,511	70,070	18.3	359,051	18.1
Macedonia	947	70,381	50.9	365,418	41.7
Montenegro	449	26,799	39.9	137,445	37.1
Total	6,968	418,659	18.11	2,226,166	19.1

Producer and Processing Cooperatives

Agricultural-producer and processing cooperatives include cooperatives devoted to viticulture and wine making, fishing, dairying, livestock, apiculture, poultry and rabbit raising, hop growing, olive growing, and the like. These cooperatives operate in accordance with established principles governing Yugoslav cooperatives, while their function is to receive the products of their members for processing and sale.

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By 1949, these cooperatives had decreased to 438 with about 40,000 cooperative members because many of the cooperatives had merged with general agricultural cooperatives or with farm-work cooperatives.(2)

Artisans' Cooperatives

Artisans' cooperatives consist of artisans' production and service cooperatives and of artisans' cooperatives for procurement and selling.

Artisans' Production and Service Cooperatives

Artisans' production and service cooperatives unite the labor force, production, and material resources of artisans. Such cooperatives are the most suitable means for including artisans in the plan for the advancement and reconstruction of artisans' trades.

The establishment of such cooperatives is based on the principle of free choice, guaranteed by law. Members may be master craftsmen or aides. Cooperatives may utilize only the labor of their members. Members are remunerated according to the quantity and quality of work.

Besides producing or processing specific products or performing various services, artisans' production and service cooperatives sell their own products; open workshops, retail shops, warehouses, and the like; and strengthen and advance artisan activities. Cooperatives seek constantly to improve the quality of their goods and services, and to train, educate, and improve member personnel professionally.

The development of artisans' production and service cooperatives has been as follows:

	<u>No of Cooperatives</u>	<u>No of Members</u>
1939*	166	*
1945*	334	*
1947	928	20,547
1948	1,056	24,932 (1)
1949	<u>[not specified]</u>	<u>[not specified]</u>
1950	1,181 (2)	<u>[not specified]</u>

*No data on the number of members was available for 1939 or 1945.(1)

Artisans' Cooperatives for Procurement and Selling

Artisans' cooperatives for procurement and selling, composed of individual artisans and artisans' production and service cooperatives, supply members with tools and materials, sell members' products, construct buildings and installations for the use of members, strengthen artisan activities, and provide skilled training for artisan personnel. The state assists them in organization and in supplying tools and materials.

In 1945, there were 106 artisans' cooperatives for procurement and selling; in 1949, about 200.(1) In 1950, there were 261 (60,871 members). Artisans' cooperatives founded credit cooperatives, especially in Serbia and Croatia, where there are about 50.(2)

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Blue- and White-Collar Workers' Cooperatives

Blue- and white-collar workers' cooperatives, which acted as a supply service for workers, have developed as follows:

	<u>No of Cooperatives</u>	<u>No of Members</u>
1945	367	382,565
1946	569	524,250
1947	357	476,145
1948	315	434,882

The decrease after 1947 was caused by the establishment in industrial and mining centers of the Workers' Supply Service, to which the functions of these cooperatives were transferred.(1) Most of the blue- and white-collar workers' cooperatives, which now [1950] number only about 21, are located in Slovenia.

Other Nonagricultural Cooperatives

There are 71 cooperatives for electrification, 49 for credit, 7 for apartment houses, 3 for construction, 2 for hunting, 2 for water systems, and others. Although these cooperatives are relatively insignificant, some of them recently have shown a tendency to grow, such as apartment house cooperatives, consumer cooperatives, and the like.(2)

Higher Cooperative Organizations

General agricultural cooperatives and farm-work cooperatives in each srez unite to form a srez association of agricultural cooperatives, which becomes their higher cooperative organization. Its functions are to unite, through its economic plan, cooperative agricultural activities in a srez; to aid cooperatives in developing agricultural production, to look after the needs of cooperative experimental stations, seedling stations, agricultural machinery stations, handicraft and artisan-industrial workshops, and the like; to purchase and sell for its member cooperatives and organize their credit operations; and to provide technical, organizational, and other assistance, particularly assistance in planning production and training personnel.

The highest organ of an association is the assembly. It elects administrative and supervisory councils, has the right of recall over these organs, and solves the association's important problems. The assembly consists of delegates from member cooperatives, the number of delegates being determined by the number of members in the cooperatives concerned.(1) Because of the large number of farm-work cooperatives and their special problems and needs, Foundations for Mechanization and Investment Construction for Cooperative Agriculture were established in September 1950; these include farm-work cooperatives within a srez. Through these foundations the state creates cooperative units, provides resources for the mechanization of agricultural production (tractors, agricultural machinery, and implements), and provides resources for capital and other construction. The property which the state contributes to farm-work cooperatives is general people's property given to the cooperatives for their utilization. As of 15 December 1950, the following resources had been contributed to cooperatives:

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	<u>No of Tractors</u>	<u>No of Tractor-Drawn Plows</u>	<u>No of Threshers</u>	<u>No of Binders (Harvesters)</u>
Serbia	1,362	1,362	996	908
Croatia	567	647	427	133
Slovenia	91	149	65	30
Bosnia-Herzegovina	282	300	161	77
Macedonia	146	211	65	25
Montenegro	No contributions were made to Montenegro			

Total	2,448	2,669	1,714	1,173
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A Foundation for Mechanization and Investment Construction for Cooperative Agriculture is managed by its cooperative council and by an administrative council within the framework of the economic plan of the farm-work cooperatives concerned, the economic plan of the foundation, and the state economic plan. The cooperative council is elected by its farm-work cooperatives and by the work collectives of its enterprises and establishments. The cooperative council elects and dissolves the administrative council and exercises other rights as regulated.

The state participates in the administration of the foundation through the srez people's council, which appoints a foundation director who must be a member of the cooperative council and of the administrative council. He is responsible to the administrative council and to the srez people's council.

The Foundations for Mechanization and Investment Construction for Cooperative Agriculture have additional functions as follows:

1. Providing for the fulfillment of the construction plan for its farm-work cooperatives and supplying construction materials
2. Supplying breeding and work livestock, fruit seedlings, and similar items.
3. Assigning experts to work in farm-work cooperatives (agronomists and the like), and developing trained personnel.
4. Obtaining bank credits for the needs of farm-work cooperatives, being responsible for amortization payments, and the like.
5. Helping farm-work cooperatives to sell their products through opening stores in cities, and helping develop intercooperative trade.
6. Strengthening the organization of farm-work cooperatives, supervising bookkeeping, and giving bookkeeping training.

Srez associations of agricultural cooperatives may associate into oblast and republic associations of agricultural cooperatives. Today there are six republic associations of agricultural cooperatives.

In addition, in the republics there are Main Administrations for Cooperative Agriculture, which are the higher economic associations of the Foundations for Mechanization and Investment Construction for Cooperative Agriculture.

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There are direct connections and cooperation between srez associations of agricultural cooperatives and Foundations for Mechanization and Investment Construction for Cooperative Agriculture, and between cooperative associations and republic Main Administrations for Cooperative Agriculture. Members of administrative councils of srez cooperative associations are members of cooperative councils of Foundations for Mechanization and Investment Construction and also are members of administrative councils of republic cooperative associations, which are a part of the republic Councils for Agriculture and Forestry.

The highest cooperative organization in Yugoslavia is the Main Cooperative Association of Yugoslavia. Its membership includes all cooperative organizations on the republic and inter-republic levels. Its function is to represent Yugoslav cooperatives at home and abroad.(2)

The state assists agricultural cooperatives by giving them the use of land and agricultural machinery, materials, and credit, particularly for capital construction; helps organize cooperatives and their work, and grants cooperatives benefits and privileges as regards means of production and trade at fixed prices. By law the state protects cooperatives and cooperative property from sabotage and other criminal depredations. The law prohibits the use of force to induce farmers to join cooperatives.(1)

SOURCES

1. Belgrade, Informativni prirucnik o Jugoslaviji, Book 1, Sections 3-4, 1949
2. Ibid., Book 2, Section 1, 1952

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