

BIBLIOGRAPHY

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ABSTRACT

This study was conducted to establish the history of the cooperative movement in Tuba. Specifically it aimed to identify the different types of cooperatives organized as to the year of registration, location and type, to identify the cooperatives that are currently operating, dissolved or cancelled and non-operating, to find the factors that may have caused the failure of some cooperatives and to find out the factors that may have contributed to the success of some cooperatives.

The respondents of the study were the different members of cooperatives and the cooperative pioneers.

The principle of cooperation among the people of Tuba had started even before the organization of formal cooperative. The idea of organizing cooperative in Tuba even started during the Spanish Colonial period when they learned of the cooperative organized by Dr. Jose Rizal. However, this did not materialize until the first cooperatives were organized in 1964. These cooperatives were Philex Community Consumers Cooperative and Philex Mines Credit Cooperative both situated at Padcal, Camp 3, Tuba, Benguet. The succeeding cooperative was organized in 1991 and from that time cooperatives started to mushroom in the different barangays of Tuba. As of December

2007, a total of 46 cooperatives had been organized in the municipality. However, only 14 cooperatives were still operating while the other were dissolved, cancelled, and non-operating.

The failure of the cooperative movement were due to lack of education of members about cooperative, poor management skills of management staff, and some cooperatives were just organized for the purpose of getting funds from the government.

The factors that leads to the success of some cooperatives were continuous education seminar, well trained officers, committee members and management staff and the availability of complete set of record.

The contributions of the cooperatives to the community were sponsoring scholarships, acquiring an irrigation facility through cooperative, medical mission and distribution of seedlings for community beautification aside from the patronage refund and dividends that members receive every year.

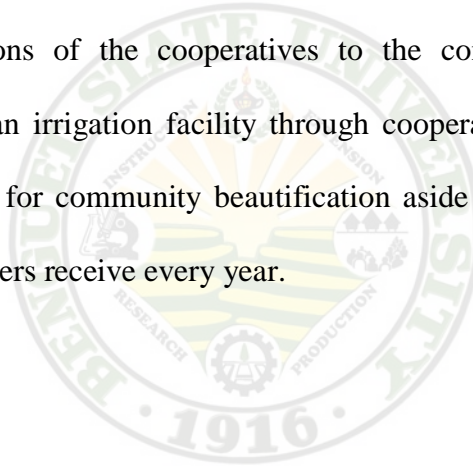


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INTRODUCTION

Rationale

The prehistoric people of various races practiced some forms of cooperation nearly similar to the present-day cooperation. This is supported by deductive and inductive reasoning anchored on the universal needs of humankind for food, clothing and shelter (Macaranas, 1994)

Macaranas further stated that cooperation in the Philippines is an old culture. It spans centuries of human existence from its pristine form of mutual assistance to what we call in the native tongue the “bayanihan”, as we know it today is a system which seeks to harness the limited resources of people on small means and opportunities for economic and social ends. It was first introduced in the late 1980’s by Dr. Jose P. Rizal. He was inspired by the cooperative idea during his travels in Europe and organized in 1896 a marketing cooperative among farmers in Dapitan during his exile there.

Subsequent attempts to introduce cooperatives in the country were mainly through government initiatives and efforts. Cooperatives were established only after the Philippine government had enacted laws which called for the organization of cooperatives (Muñoz and Batulayan, 1989).

The first stage, from 1885 to 1941, is characterized by the aborted germination of coops of some revolutionary illustrators (or the pre-formation period), the introduction and organization of the Raiffeisen-type agri-based cooperatives by American missionaries and teachers, and western educated Filipinos who featured the principles of



self-reliance (or the formation period), and the introduction of the self-initiated farmers cooperatives by the American colonial administrator.

The second stage is from 1941 to 1986. This stage can be divided into four phases. The first phase is the period of Japanese occupation which featured a rapid increase in cooperatives as a result of food shortages. The second phase is the rehabilitation period after the Second World War. The third phase is the resurgence of the state-initiated cooperatives while the fourth phase is the introduction and rise of the non-agricultural cooperatives. The fifth and final phase is the martial law period and the politization of the cooperative movement.

The third movement of the revolution of the Philippine cooperative movement as a potent political force is its allies with the NGO and the trade union movements in pursuing the goals of people empowerment and strengthening the country's civil society sector. During the 1998 party list elections, the cooperative movement posted three representatives which led other sectors, groups and non-dominant political parties in representing the marginalized and order presented masses in the Filipino people.

Cooperatives have been organized in the Philippines in the late 1960's and 1970's. However, more than 50% of them failed. The major reasons for this is lack of capital, lack of technical know how, skills education, and training on the part of the members and officers to participate actively in the affairs of the cooperative (Patricio, 2006).

The Philippines exposure to the cooperative movement maybe said to have come into the mainstream of Filipino life one hundred years after Robert Owen introduced the concept in Britain. In 1820, the Philippines was performing its role as a patient and



obedient colony of Spain. Only the restlessness and excitement in Europe as a result of the industrial revolution changed all that in the manner of affecting handful of Filipino students and illustrators who were influenced by the affecting democracy, freedom, brotherhood and equality. Their arrival in the country ushered in a new period of the propaganda movement which labored to introduce reforms in the Philippines (Pagdanganan, 1999).

Statement of the Problem

The study aimed to answer to following questions:

1. What is the history of the cooperative movement in Tuba, Benguet?
2. How many cooperatives were organized and how many are currently operating?
3. What is the present status of cooperatives in Tuba, Benguet?

Objectives of the Study

This study was conducted to document the developments of the cooperative movement in the municipality of Tuba, Benguet. Specifically, it aimed to:

1. establish the history of the cooperative movement in Tuba, Benguet
2. identify the different cooperatives organized as to year of registration, location, and type of cooperative.
3. identify the cooperatives that are currently operating, dissolved or cancelled, and non-operating.
4. find the factors that may have caused the failure of some cooperatives,



5. find out the factors that may have contributed to the success of some cooperatives,

Importance of the Study

This study was conducted to provide information about the cooperative movement in Tuba, Benguet. The information generated in this study would provide insights to the Cooperative Development planners and policy makers such as CDA, Cooperative Federations, Cooperative Unions, and other concerned entities to support and strengthen the cooperative movement.

In addition, this study could serve as the source of information for further research on other related studies.

Scope and Limitation of the Study

The research focused on the beginnings of cooperative movement in the municipality of Tuba, Benguet until the present situation and this study was only limited to this municipality.



REVIEW OF LITERATURE

Cooperativism

Gayumma (2005) stated that cooperativism is a tool to reach out the deprived sector of the Filipino society. The very reason why cooperatives should be established is to be of service to its members in terms of relatively easier access to much needed commodities.

The principle of cooperativism is observed in the Filipino culture, the “bayanihan” or in other terms is called “palusong”. Palusong connotes that a farmer does not have to invite other farmers to help him plow his field, he has only to let his neighbors know that he has “palusong” and word would circulate around the village that the farmer needs help.

Cooperative

Onagan et al. (1973) stated that the cooperative is a dynamic form of business enterprise that embodies the philosophy of cooperation. It signifies the voluntary access of people to form themselves to group for the promotion of their common needs by mutual action, democratic control and sharing economic benefits on patronage by the members. It is a business enterprise with the aim of promoting economic welfare, its structure and functions are similar to other form of business organization. By organizing themselves into business, the members create their own middlemen. He also mentioned that because it is democratically controlled and operated by the members, the cooperative



is engaged only in providing merchandise and services specifically needed by the members of the right quality, and price.

Racho (2007) quoted that a cooperative is an immerse organization of an ideal society in microcosm where self interest and common welfare; where investment is with but capital and where collective endeavor achieves that availment of cheaper goods and services . It is purely in the rendering of the maximum, satisfactory and unselfish services for the benefits and welfare of its members. It is also a way where the poor may actively enter the economy at large. Further, it may be the best school for learning, practicing and internalizing the democratic ideals. This holds the key in solving our basic economics, political and social problems.

Organizing a Primary Cooperative

Article 10 of the Cooperative Code of the Philippines stated that a primary cooperative must be composed of at least fifteen (15) natural person, who are citizen of the Philippines, having a common bond of interest and are residing or working in the intended area of operation may organize a cooperative under this code. A cooperative registered under this code shall have the following power and capacities such as: to sue and be sued in its cooperative name of succession; to amend its articles of cooperation in accordance with the provision of this code; to adopt by laws not contrary to law, morals or public policy and to amend and repeal the same in accordance with this code; to purchase, receive, take or grant, hold, convey, sell, lease, pledge, mortgage, and otherwise deal with real and personal property as the transaction of the lawful affairs of the cooperative may reasonably and necessarily require, subject to the limitations



prescribed by law and the constitution; to enter into division, merger, or consolidation as provided in this code; to adopt and accept and receive grants donations and assistance from foreign and domestic sources; and to exercise such other powers granted by the code or necessary to carry out its purpose as stated in its articles of cooperation.

Purpose of Cooperatives

Economic growth and development have been elusive goals of the Philippines. The overall development goal is for the improved quality of life for every Filipino through international competitiveness and people empowerment through cooperatives. A cooperative is a business and social organization that espouses the spirit and value of self-help and working together in the pursuit of social and economic ends (Pasigon and Gonzaga, 1996).

Gayumma (2005) stated that the purpose for which cooperative may be formed is to engage in the business of cooperative banks, wholesale and retail complexes, insurance, marketing enterprise and even public markets.

Rodriguez et al. (1988) also stated that though cooperatives are not visually regarded as “business” in the ordinary sense, many cooperatives today trade goods and services not only with their members but also with the general public and consciously attempts to generate surplus that they may be regarded as business organization in many aspects.



Objectives of Primary Cooperatives

Abasolo et al. (1996) stated that the primary objectives of every cooperative is to provide goods and services to its members and thus enable them to attain increase income and savings, investment, productivity and purchasing power and promote among them equitable distribution of net surplus through maximum utilization of economies of scale, cost sharing and risk sharing, without however conducting the affairs of the cooperative for eleemosynary or charitable purposes.

A cooperative shall provide maximum economic benefit to its member. Teach them the efficient ways of doing things. And propagate cooperative practices and new ideas in business and management and allow the lower income groups to increase their ownership in the wealth of this nation.

Onagan et al. (1973) stated that cooperatives are business enterprise formed by the spontaneous and voluntary action of consumers within a community, plant or office who have identical needs. Their association is motivated by the spirit of mutual services and mutual benefit through their mutual action. They achieved this by dedicating their enterprise to unselfish struggle for an ultimate goal of economic sufficiency for all. A cooperative societies constitute the biggest of all cooperative enterprise, at the same time the most fundamental and it involves all people, since all people are consumers.

Success Factors of Cooperatives

Pagdanganan (1999) enumerated the following factor to the success of a cooperative. These are: (1) merging and consolidation of Primary Cooperatives; (2) professionalization of management; (3) training and education program; (4) effective



auditing system for cooperatives and cooperative banks; and (7) government support to cooperatives based on the principle of subsidiary.

Cooperative Failure

A failed cooperative is one that has been unsuccessful, unable to perform this programs or activities and unable to carry on with their goals or objectives for a number of years and service formed. Despite the importance and progress brought about by cooperatives, there are problems and constraints within the cooperative itself, which may contribute to its success or failure. One of this is lack of funds for production loans. Cooperatives are meant only to serve as channels for government financial and technical assistance to small farmers. Another problem is the policy of the government to allow NGO's to organize cooperatives in any part of the country without outlining appropriate policies and regulations, which results to an overlapping with the cooperatives function of the government. There is a weak institutional structure for providing sustained cooperative education and training leading to lack of qualified managers in the system. There is also a lack of government incentives in terms of financial assistance, and most of all cooperatives suffer from the fact that there is a negative impact of government policies particularly in delivering agricultural credit and pricing (Castillo, 1983).

Every cooperative shall conduct its affairs in accordance with Filipino culture and experience and universally accepted principles which include the following: open and voluntary membership, democratic control, limited interest on capital, division of net surplus, continuous cooperative education, cooperation among cooperatives and



subsidiary, and self-help. Without these principles, a cooperative may not be successful and will only lead to its failure (Pasigon and Gonzaga, 1996).

Economic Contribution of Cooperatives

Dawawa (2004) found out that there was an increase in agricultural production output because former members were able to engage in more business opportunities; as a result of availability of more capital inputs with lesser interest. Socially, cooperatives give equal treatment to both rich and poor. Culturally, they enhance the relationship among members even those who belong to other cultures. Politically, the members were provided opportunities to exercise their right of suffrage during their assemblies.

Role of Cooperative in Community Development

Community development is a way for people to work in order to build better community and thereby improve the welfare of all. They organize themselves under their free will and work as a team to solve problems of their community development. They are concerned with the development of human resources and consider man as the most important factor of development. Cooperative develops values of their members. They teach and practice wise use of money to be self-reliant, which is one key concept of the cooperative program. Cooperatives demonstrate the value of group cooperation and social awareness. Farmers' negative attitudes and values can be changed through continuous training and education.



Definition of Terms

The following terms were defined as they were used in this study:

Cancelled Cooperatives – refers to those cooperative whose certificate of registration was revoked by the Cooperative Development Authority due to non-submission of annual report for two consecutive years.

Dissolved Cooperatives- refers to those cooperatives whose voluntarily stopped operation due to bankruptcy.

Non-Operating Cooperatives – refers to those cooperatives whose registrations were not yet cancelled but stopped operation due to lack of funds.



METHODOLOGY

Locale and Time of the Study

The research was conducted in the locality of Tuba, Benguet, Philippines from October until December 2007.

Respondents of the Study

The information needed for the study were gathered from key informants. These were cooperative leaders, members, and officers of the cooperatives that were formed including the Municipal Agriculture Officer.

Data Collection

The primary data for this study was collected through interview of the key informants. Secondary data were also collected from the Cooperative Development Authority office, from the Municipal Agriculture Office and from the primary cooperatives.

Data Analysis

The data gathered was summarized and tabulated based of the objectives of the study.





RESULTS AND DISCUSSION

The Beginning of Cooperative Movement in Tuba, Benguet

Cooperation in Tuba is an old culture. It spans centuries of human existence from pristine form of mutual assistance to what is now called in the native tongue “bayanihan,” Cooperation as it is known today is a system which seeks to harness the limited resources of people of small means and opportunities for economic and social ends.

Mr. Birang, a native of Tuba, related that during the Spanish Colonial period the people in Tuba planned to put up a cooperative because they have heard about the cooperatives initiated by our national heroes, Dr. Jose Rizal and Emilio Jacinto but failed to take root due to the intense revolutionary struggles of our countrymen with the Spaniards.

During the Japanese Occupation, the people did not attempt to organize cooperatives because they were busy looking for their foods due to severe food shortage. Besides, they were not allowed and were afraid to gather together with their neighbors because of the Japanese rule, according to Flores, also a native of Tuba, Benguet.

After World War II, organizing cooperatives was now out of their mind because of the crisis they were suffering. They were busy fixing the damages that the war brought . They were searching for place to settle down and start again.

However, in 1989, the first cooperatives of Tuba was organized. These was the Philex Mines Consumers Cooperative and the Philex Community Credit Cooperative This was followed by Taloy Norte Multipurpose Cooperative in 1991 and other seventeen cooperatives organized during that year. Table 1 shows that every year from 1991 to



2000 there were new cooperatives organized in the municipality. In 1991 alone there were 18 cooperatives organized in the place, three in 1992, four in 1994, two each in 1994, 995, and 2005, only one each in 1996, 1999, 2000 and 2003, three in 1997, and six in 1998. On the average, there were two cooperatives organized in the place yearly.

Table 1. Number of cooperatives organized per year from 1989 to present

YEAR	NUMBER OF COOPERATIVES	INCREMENT
1989	2	
1990	2	0
1991	20	18
1992	23	3
1993	27	4
1994	29	2
1995	31	2
1996	32	1
1997	35	3
1998	41	6
1999	42	1
2000	43	1
2001	43	0
2002	43	0
2003	44	1
2004	44	0
2005	46	2
2006	46	0
2007	46	0



List of Cooperatives Organized in Tuba and Registered with CDA

Table 2 shows the list of cooperative organized in various locations of Tuba and the year they were registered with CDA. The finding shows that in Philex Mines alone there were six cooperatives organized. The same is true for Ansagan. The highest number (10) of cooperative organized was in Badiwan, Poblacion. In Tadiangan there were 4 cooperatives organized, three each in Bayayeng, Taloy Norte, Camp 1, and Nangalisan. There were cooperatives each in Tabaan Norte, Camp 4, Kennon Road, and Poyopoy Proper, Taloy Sur.

Table 2. List of cooperative by location and date of registration

NAME OF COOPERATIVE	DATE REGISTERED	LOCATION
Camp 1 Tuba MPC	May 17, 1991	Camp 1
El Dorado MPC	May 10, 1991	Camp 1
Lasong Farmers MPC	Sept. 27, 1991	Tadiangan
Nangalisan Farmers MPC	Sept 20, 1991	Nanaglisian
Parasipis, MPC	April 16, 1991	Tabaan Norte
Philex Mines Community Consumers Coop	March 19, 1991	Camp 3
Philex Community Credit Coop	March 19,1991	Camp 3
Balangbang Tabaan Norte MPC	March 22, 1991	Tabaan Norte
Pacac MPC	Sept. 18, 1991	Tadiangan
Poblacion Tuba MPC	Jan. 29, 1991	Poblacion
PSDA MPC	April 8, 1991	Poblacion
San Pascual MPC	May 17, 1991	San Pascual
Taloy Norte MPC	May 17, 1991	Taloy Norte
Twin Peaks MPC	Nov. 14,1991	Twin Peaks
Ub-ubbo MPC	Aug. 7, 1991	Camp 6
Taloy Sur MPC	May 15, 1991	Taloy Sur



Table 2. Continued ...

NAME OF COOPERATIVE	DATE REGISTERED	LOCATION
Catbak MPC	Sept. 30, 1991	Camp 3
Sto. Tomas MPC	May 13, 1991	Poblacion
Camp 4 MPC	May 16, 1991	Camp 4
Yagyagan Anthorium MPC	Dec. 17, 1991	Tadiangan
Ansagan Proper MPC	April 27, 1992	Ansagan
Cabuyao MPC	Sept. 9, 1992	Poblacion
Camp 4 Credit Cooperative	March 3, 1992	Camp 4
Thanksgiving MPC	July 16, 1993	Camp 6
Tuba National High School MPC	March 29, 1993	Nangalisan
Saguitlang Community Development Coop	Oct. 7, 2003	Ansagan
Camp 3 MPC	March 4, 1993	Camp 3
Pibasa MPC	Sept.30, 1993	Ansagan
Sto. Tomas Small Farmers MPC	May 23, 1994	Poblacion
Bayayeng Taloy Norte MPC	May 30, 1994	Taloy Norte
Sinco MPC	Nov. 21, 1995	Tadiangan
Elpaso Credit Cooperative	Sept. 12, 1995	Camp 3
Pedped Farmers MPC	Nov. 27, 1996	Ansagan
Poyopoy MPC	Aug, 11,1997	Taloy Sur
Twin Peaks Teachers MPC	Sept. 17, 1997	Twin Peaks
Badiwan Multipurpose Coop	Sept 17, 1997	Poblacion
Klondykes Farmers MPC	Jan 13,1998	Camp 1
Tuba District Teachers Credit Cooperative	Jan. 13, 1998	Poblacion
Camp 3 Brgy Health workers MPC	Sept 13, 1998	Camp 3
Kasaranay Dagiti Umili ti Ansagan MPC	Feb. 11, 1998	Ansagan
Sayangan MPC	Feb. 17, 1998	Taloy Norte
Taloy Norte Farmers MPC	May 18, 1999	Taloy Norte
Caballeros MPC	May 10, 2005	Ansagan
Tinakday MPC	Nov. 18, 2005	Taloy Sur



Types of Cooperatives Organized in Tuba

As of December 2007, a total of 46 cooperatives was organized in Tuba, Benguet. Table 3 presents the distribution of these cooperatives based on their type. Majority (84.78%) of the cooperative organized in Tuba were Multipurpose Cooperative. Five or 10.87% were credit cooperative, one consumer and one federation..

Current Status of the Cooperatives

The current status of the cooperatives pertains to whether they are still operating, non-operating, registration cancelled, or dissolved. Non-operating cooperatives are those whose registration is not cancelled but they stop operation. Dissolved and cancelled cooperatives are those officially pronounced by CDA as dissolved or cancelled. Table 4 shows that 20 cooperatives were already dissolved as of December 2007, 10 had cancelled registration, and 2 were non-operating. Only 20 cooperatives were still operating.

Table 3. Distribution of cooperatives organized in Tuba as to type

TYPE	NUMBER	PERCENTAGE
Multipurpose	39	84.78
Consumer	1	2.17
Credit	5	10.87
Federation	1	2.17
Total	46	100.00



Table 4. Status of cooperatives as of December, 2007

TYPE	NUMBER	PERCENTAGE
Operating Cooperatives	14	30.43
Non-operating Cooperatives	2	4.35
Dissolved	20	43.48
Cancelled	10	21.74
Total	46	100.00

Operating cooperatives. Table 5 presents the list of cooperatives that were still operating. Majority of these cooperative were officially registered with the Cooperative Development Authority in 1991. Two cooperatives each were registered in 1993 and 1995. One cooperative was registered in 2003 and two were registered in 2005. Except for the two cooperatives located at Philex Mines, all the cooperatives that are still operating were multipurpose type of cooperative.

Table 5. List of operating cooperatives as of December 2008

NAME OF COOPERATIVE	DATE REGISTERED	TYPE OF COOPERATIVE
Camp 1 Tuba MPC	May 17, 1991	Multipurpose
El Dorado MPC	May 10, 1991	Multipurpose
Lasong Farmers MPC	Sept. 27, 1991	Multipurpose
Nangalisan Farmers MPC	Sept 20, 1991	Multipurpose
Parasipis, MPC	April 16, 1991	Multipurpose



Table 5. Continued ...

NAME OF COOPERATIVE	DATE REGISTERED	TYPE OF COOPERATIVE
Philex Mines Community Consumers Coop	March 19, 1991	Consumer
Philex Community Credit Coop	March 19, 1991	Credit
Tuba National High School MPC	March 29, 1993	Multipurpose
Thanksgiving MPC	July 16, 1993	Multipurpose
Sinco MPC	Nov. 21, 1995	Multipurpose
Taloy Norte Farmers MPC	May 18, 1999	Multipurpose
Saguitlang Community Development Coop	Oct. 7, 2003	Multipurpose
Caballeros MPC	May 10, 2005	Multipurpose
Tinakday MPC	Nov. 18, 2005	Multipurpose

Dissolved cooperatives. Table 6 presents the list of cooperatives that were dissolved. There were twenty cooperatives that were dissolved. Of these twenty, one was credit cooperative and all the rest were multipurpose cooperatives. Eight of these cooperatives were registered in 1991, one each in 1993, 1994, 1995 and 1996. Three were registered in 1997 and four in 1998.

Causes for the dissolution. According to some of the members and officers of these cooperatives interviewed these cooperatives were dissolved due to any of the following causes: (1) Failure to operate within 2 years. According to the rules for dissolution from the CDA, if a cooperative has not commenced business and operation within two years after the date shown on its certificate of registration or has not been



Table 6. List of dissolved cooperatives with their dates of registration and type

NAME OF COOPERATIVE	DATE REGISTERED	TYPE OF COOPERATIVE
Balangbang Tabaan Norte MPC	March 22, 1991	Multipurpose
Pacac MPC	Sept. 18, 1991	Multipurpose
Poblacion Tuba MPC	Jan. 29, 1991	Multipurpose
PSDA MPC	April 8, 1991	Multipurpose
San Pascual MPC	May 17, 1991	Multipurpose
Taloy Norte MPC	May 17, 1991	Consumer
Twin Peaks MPC	Nov. 14, 1991	Credit
Ub-ubbo MPC	Aug. 7, 1991	Multipurpose
Pibasa MPC	Sept. 30, 1993	Multipurpose
Bayayeng Taloy Norte MPC	May 30, 1994	Multipurpose
Elpaso Credit Cooperative	Sept. 12, 1995	Credit
Pedped Farmers MPC	Nov. 27, 1996	Multipurpose
Poyopoy MPC	Aug. 11, 1997	Multipurpose
Twin Peaks Teachers MPC	Sept. 17, 1997	Multipurpose
Badiwan Multipurpose Coop	Sept 17, 1997	Multipurpose
Camp 3 Brgy Health workers MPC	Sept 13, 1998	Multipurpose
Kasaranay Dagiti Umili ti Ansagan MPC	Feb. 11, 1998	Multipurpose
Klondykes Farmers MPC	Jan 13, 1998	Multipurpose
Sayongan MPC	Feb. 17, 1998	Multipurpose

operating for two consecutive years, the Authority, after a formal inquiry and the cooperative could not provide justifiable cause, may cancel the registration of the cooperative and it shall be deemed dissolved; (2) Failure to meet the required number of members; (3) Members do not have the interest to help the cooperative; (4) Lack of education of the members and the organizers of the cooperative; (5) Some members and



officers decided to liquidate their capital from the cooperative; and (6) absence of good cooperative leaders.

Cancelled cooperatives. Table 7 presents the cancelled cooperatives.

In the 1990s when the registration of cooperatives was now transferred to the Cooperative Development Authority, several new cooperative have been added to the list. As of December, 2007 there was a total of 46 cooperatives in the municipality of Tuba registered with the CDA.

Failure of the Cooperative Movement in Tuba

There were 18 key informants interviewed regarding the failure of the cooperative movement in Tuba. It can be gleaned from Table 8 that majority of the key informants pointed out lack of education of members about cooperative lead to negative attitude of

Table 7. List of cancelled cooperatives

NAME OF COOPERATIVE	DATE REGISTERED	TYPE OF COOPERATIVE
Ansagan Proper MPC	April 27, 1992	Multipurpose
Cabuyao MPC	Sept. 9, 1992	Multipurpose
Camp 4 Credit Cooperative	March 3, 1992	Credit
Camp 3 MPC	March 4, 1993	Multipurpose
Camp 4 MPC	May 16, 1991	Multipurpose
Catbak MPC	Sept. 30, 1991	Multipurpose
Sto. Tomas MPC	May 13, 1991	Multipurpose
Sto Tomas Small Farmers MPC	May 23, 1994	Multipurpose
Tuba District Teachers Credit Cooperative	Jan. 13, 1998	Creit
Yagyagan Anthurium MPC	Dec. 12, 1991	Multipurpose



members. Many of the people in the locality perceived the cooperative as an instrument for getting funds from the government thus after obtaining loan from the cooperative, the members do not pay the loan because it is the money of the government. This lead to the failure of many cooperatives in the study area.

Another cause of failure is poor management skills of management staff. For instance, they do not have records of the transactions of the cooperative because the staff assigned do not possess the skill. This resulted to losses of the money of the cooperative, which eventually lead to the closure and dissolution of the cooperative.

According to the key informants, some officers of the cooperatives were arrogant that members do not feel at ease. Members became suspicious about the behavior of some officers thus they do not support the cooperative. Some members became discouraged and did not patronize the cooperative. If they have debt from the cooperative they loss interest to pay. This lead to bankruptcy of the cooperative.

Lastly, many of the cooperatives in the place were organized for the purpose of getting funds from the government. After they obtained the money, the leaders used the fund for their personal interest. They borrowed they money and did not return the fund to the cooperative. In addition, there were no records to trace where the funds went and who borrowed it. Members who were not able to share with the fund get discouraged and would not join the cooperative at all.



Factors That Lead to the Success of Some Cooperative

Although majority of the cooperatives organized in Tuba were dissolved and cancelled, there were some that were very progressive or successful. Some became millionaire cooperatives.

It was found that the successful cooperatives were those organized by the people themselves based on their needs and problems. At first, the members were ignorant about cooperative but because of the dedication and persistence of the organizers and the cooperative leaders the members were educated through continuous trainings and seminars. Continuous education of members is one of the important principles of cooperative. It was the policy of these successful cooperatives that before a person becomes a member of the cooperative, this person must first undergo the Pre-membership Education Seminar (PMES). In this seminar, the prospective member must be informed on their rights and privileges as well as their duties and responsibilities in the cooperative. During the seminar, the members are informed about the services of the cooperative and how the members would avail of these services. Policies and programs of the cooperative were also discussed to the members. They also informed them of the problems and plans of the cooperative and solicit their support so that they feel they are important.

A second factor considered by the informants as contributor to the success of the cooperatives was the trained officers, committee members and management staff. The successful cooperatives allotted fund for their education. The leaders believed that if the people handling the operation of the cooperative are knowledgeable of their job then the operation would be orderly and documented. Fraud would be avoided.



The third factor mentioned was the availability of complete records. The successful cooperatives have complete set of records. Every general assembly they informed their members about the performance of their cooperative through the financial reports as well as non-financial reports. This practice encouraged their members to invest more of their resources in the cooperative. Besides, the members became more interested to patronize their cooperative because of the patronage refund and interest on share capital that they get.

Contributions of the Cooperatives to the Community

The cooperatives did not only helped the members but also the non-members. While the cooperative sells consumer goods at reasonable price to the members, non-members were not prohibited to buy goods from the cooperative. Another service of the cooperative that was availed by both members and non-members was the savings deposit and time deposit. Non-members saved their money in the cooperative and earned a higher interest than what banks were giving. Furthermore, the interest earned was not charged any withholding tax. Philex Community Credit Cooperative (PCCCO), the biggest cooperative in the municipality, reported that they have a savings program for the youth, the school children. As of the end of 2003, the reported savings deposit accumulated from the youth was about 3.3 million pesos.

The Philex Community Credit Cooperative alone had contributed much to the social and economic growth that alleviated poverty in the mining community. Thru its loaning services and scholarship program, PCCCO had been instrumental in producing professionals like engineers, doctors, nurses, accountants, teachers, architects, geologists,



etc. It also supported Philex Ecological Waste Management and Pest Control Programs, Adopt a Park Program, and Adopt a Forest Program and the Swine dispersal program. Through the loans it gave to the members, the members invested their loan in some livelihood projects like loom weaving, sewing, wax- making, hog/chicken raising, soap-making, etc.

The cooperatives also conducted trainings to non-members of the cooperatives for them to become entrepreneurs. The trainings sponsored were the following: poultry farming, hog raising, food processing, bee keeping, marketing of baskets produced by women weavers.

The Sinco MPC also sponsored medical mission for children and their families, the Thanksgiving MPC bought seedlings of trees from the Department of Environment and natural Resources and distributed these seedlings to the elementary pupils which they have planted them in their school campuses. This act taught the children to love their environment.

Another contribution by the cooperative movement was the irrigation system in Taloy Sur which was acquired through the Taloy Sur MPC.

Financial Assets of Currently Operating Cooperatives

Table 8 presents the total assets of the successful cooperative in Tuba, Benguet as of December, 2007. Based on the reported assets of the cooperatives, there were four cooperatives that have million pesos worth of assets. These were Philex Mines Community Consumers Cooperative with P189,793,027.66 total asset, Philex Community Credit Cooperative with P34,639,323.63, Thanksgiving MPC with



P12,345,922.65 and Sinco MPC with P1,042,222.00. The Philex Mines Community Consumers Cooperative was the number one followed by the Philex Community Credit Cooperative.

Table 8. Financial assets of currently operating cooperatives AS OF December 2007

NAME OF COOPERATIVE	NUMBER OF YEARS OPERATING	TOTAL ASSETS
Camp 1 Tuba MPC	16	398,249.07
El Dorado MPC	16	412,909.52
Lasong Farmers MPC	16	475,120.84
Nangalisan Farmers MPC	16	399,354.96
Parasipis, MPC	16	642,773.12
Philex Mines Community Consumers Coop	18	189,793,027.66
Philex Community Credit Coop	18	34,639,323.63
Thanksgiving MPC	13	12,345,922.65
Saguitlang Community Development Coop	3	52,977.25
Sinco MPC	12	1,042,222.00
Taloy Norte Farmers MPC	8	245,871.00
Caballeros MPC	2	121,494.20
Tinakday MPC	2	-



SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

This study was conducted in the municipality of Tuba, from October to December 2007. Its purpose is to document the cooperative movement of Tuba. Specifically, it aimed to find out the following: the beginning of the cooperative movement in the place, the status of cooperatives, the causes of failures and some factors attributed to the success of a few of the cooperatives, and the contribution of cooperative movements in the community.

According to the key informants, the cooperative movements started when the Philex Mines Credit Cooperative and the Consumer Cooperative were organized in 1965. These were the first cooperatives established in the place. When people saw that these cooperatives were successful, more cooperatives were organized. Some of the cooperatives were just organized as a channel for government funds. Almost all of these cooperatives were now dissolved and cancelled.

As of December 2007, there were 46 cooperatives organized in the municipality of Tuba. Only about 30% of these cooperatives are still active while the rest were already dissolved and cancelled.

The reasons for the dissolution and cancellation of these cooperatives were lack of education of members about cooperative, poor management skills of management staff, strained relationship between and among officers and members and the cooperatives were organized duly for the purpose of getting funds from the government.



On the other hand, the factors that contributed to the success of some cooperatives were as follows; continuous education of members about cooperative, provision of trainings to the Board of Directors, Committee members, and management staff, and availability of complete records in the cooperatives.

The cooperative movement was of help to the community apart from the members. Some services of the cooperatives like the consumer and savings deposit services were offered to non-members. Medical missions, tree planting were conducted in the community. Trainings were also conducted to the people of the community to help in their entrepreneurship activities.

Conclusions

Based on the findings, the following conclusions were made:

1. Many of the cooperatives organized in Tuba were used as a channel for government funds, thus they failed.
2. The cooperatives that were progressive or successful were those organized based on the needs and problems of the members. Members were given education and a complete of records was maintained by these cooperatives.
3. The cooperative movement was helpful in the development of the community through its services.
4. All cooperatives operate within barangay level only.



Recommendations

Based on the finding and conclusions of the study, the following recommendations are forwarded:

1. The newly organized cooperatives that are still operating should be given technical assistance and close supervision and monitoring by the Cooperative Development Authority so that they will not follow the fate of the other cooperatives that were dissolved and cancelled.

2. The different cooperatives should invest part of their reserves on the education of their members. Members should be educated because the success of the cooperative depends on the participation of the members. The very successful cooperatives like the PCCCo, PMCCC and Thanksgiving MPC have educated members and well-trained management staff and officers.

3. The successful cooperatives should give technical assistance to the smaller ones so that they would not die.

4. The collaborative work between the community and the cooperative should be maintained.



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APPENDIX A

LETTER TO CDA

Benguet State University
College of Agriculture
DEPARTMENT OF AGRICULTURE ECONOMICS AND
AGRIBUSINESS MANAGEMENT

December 05, 2007

Atty. ROGELIO P. MADRIAGA
Regional Director
Cooperative Development Authority

Sir:

I am a fourth year student taking-up Bachelor of Science of Agribusiness major in Cooperative Management at Benguet State University. To fulfill my field of study, I am required to conduct this researched titled, "Documentation on Beginnings of Cooperative Movement in the Municipality of Tuba, Benguet."

In this connection, may I request your good office to allow me to gather information about the cooperative in the Municipality of Tuba, Benguet.

Thank you for your kindness and consideration.

Respectfully yours,

IRISH QUEEN B. SARMOYAN
Student Researcher

Noted by:

EVANGELINE B. CUNGIHAN
Thesis Adviser

