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The Madras Bul lin of Co-operation

Issued every month in lnguag s—English and Tamil.

"If the system of Co-operation be in roduced and utilised to the full I foresee a great & glorious future fo agricu tural interests of the country"— His Majesty's Reply to the Delhi cipal Address, 14th December, 1911.

Vol. XIX.] NOVEMBER ECEM BER 1927 [No. 5 & 6

PRINCIP CONT ENTS.

(For Detailed Con, Pl ase see inside.)

The Madras Provi Co operative Union,

ROYAP H, M DRAS.

Subscription per annum Rs. ee fo all members except Local Unions in Tamil Dist and Ur ban Banks which pay ln Rs. 4

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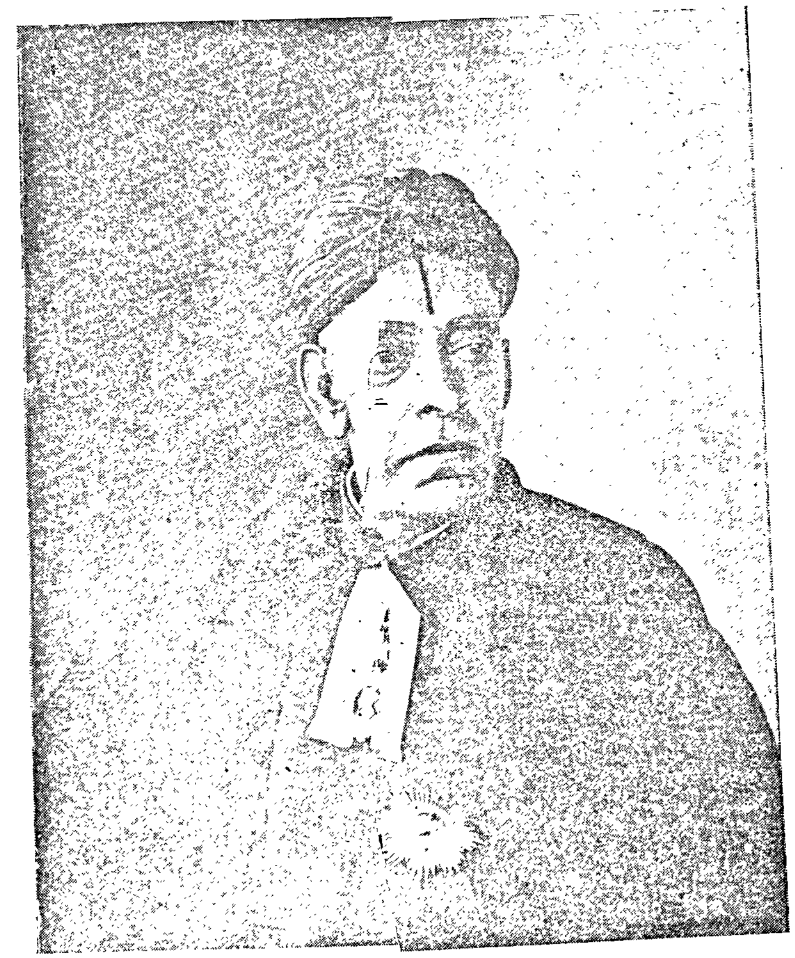

The Late Sir P. Ra Gopalachariar.

THE MADRAS BULLETIN OF CO-OPERATION

P.C.U.

ALL FOR EACH and EACH FOR ALL

VOL. XIX] NOVEMBER 1927. No. 5

The Editorial Committee do not hold themselves responsible for views expressed by contributors. Contributors are requested to write legibly and on one side of the paper. Manuscripts will not be returned unless stamps are sent to cover postage. Matter intended for the issue of any particular month should reach the Committee before the last week of the previous month.

WOLFF'S LETTER

To Rao Sahib N. Ramaswami Iyer

(Chairman of the Reception Committee, XV Madras Provincial Co-operative Conference.)

Grand Hotel,
Broadstairs, July, 26th, 1927.

Dear Rao Sahib N. Ramaswamy Iyer Avl.,

Assuming this once more, in my ignorance of Indian titulature, to be the correct way of addressing you, I am curious not to let a mail go by without letting you know what great pleasure and satisfaction it has given me to dip—as yet it is little more—into the perusal of the report of 15th Co-operation Conference, which the post brought me in my present holiday home this morning, and on the reading of which I at once pounced with keen interest.

I cannot yet speak with minuteness, because my reading has been only partial, but I congratulate you heartily on the success of your meeting and of the work accomplished in the pursuit of co-operation, of which it is the evidence. The success thus far accomplished, though only a stage on the triumphal march, vividly recalls to my mind the conversation which I had in the early nineties with workers for the Indian welfare of a past generation, such as Sir Arther Cotton, Sir William Wedderburn and others, before I took up the advocacy of Co-operation in my letter to the then Secretary of State, in 1894. There was anxious groping then, and speculation as to the proper measures to be adopted. And in India, the mahajan held the raiyat by the throat, agriculture was hoplessly backward and cottage industries were at the mercy of sweaters. What a change there has been!

You were fortunate, very fortunate, in securing the services of Sir Lalubhai Samaldas as President. Your own address was magnificent, cast in the proper spirit and laying bare with a frankness which has greatly rejoiced me, the failings of the present stage, the want of true understanding and practice of the spirit of Co-operation. Sir Lalubhai spoke, as the practical, experienced, and judicious co-operator, with becoming force and candour, on the practical work to be done. I devoutly hope that the excellent advice which he gave to Madrassee Co-operators will be taken becomingly to heart, and not least so, not to Madras Presidency alone, but all over India, that particular advice which he gave in his parting words, namely, that, in the pursuit of co-operation, which means the "working together," and which is recognised as the hope of India, you Indians should forget that you are high caste or low caste, Hindus or Muslims, but all of you *Indians* working for the common good—the good which, being for the one, is necessarily also the good for all.

With such leaders as yourself and Sir Lalubhai, if you India will only work whole-heartedly together, there can be no doubt as ultimate success—success which will excite the admiration of tl world.

One word more. I join in the regret which you express at the l of the late Dewan Bahadur L. D. Swamikannu Pillay with whom I had much correspondence in the early days of Indian Co-operation, and whose zeal and activity for and in the movemtent I greatly admire.

Believe me, dear Rao Sahib, to remain

Yours very sincerely,
(Sd.) HENRY W. WOLFF.

CO-OPERATION—THE IDEAL & THE PRACTICAL.

MR. M. K. PATTABHIRAM.

The etymological meaning itself of the word 'co-operation' connotes operating together. When two persons operate together, it must be towards one common object. Otherwise there is no meaning in it. They will only be running on parallel lines. While working for a common object, each should know what the other does and also how he does it. Then alone there will be harmony between them and the desired object can be achieved. Again when they are working for a common object, the work of each becomes complementary to that of the other and consequently each should have confidence in the other and believe that what the other does is taking him nearer the object. Thus arises a necessity for a proper mutual understanding. And in the mutual understanding each should know the needs of the other and be prepared to help him to his utmost in gratifying them. Here we have got the element of self-sacrifice, for each cannot have the whole and, in the sharing, a spirit of self-abnegation alone will smoothen matters. Indeed, without an element of self-sacrifice no joint action for a common purpose is possible in the world. When two people work together for a common object, if each wants to have the resulting benefit to the fullest extent without caring for the needs of the other, there cannot be any affinity between them and it will only result in their estrangement. In fact, this is the greatest fundamental principle of co-operation. Now we see, when two individuals co-operate, that the existence of a common object, a harmony between their activities, a mutual understanding and confidence and an element of self-sacrifice are the essential features of their activities.

If, instead of two, more people join and work together, the situation becomes complicated and the angle of vision of each member changes. Every one has to study the rights and responsibilities of all the others and the relative position among the several members of the whole oup. Thus the individual has, in addition to his responsibilities as h, the greater responsibilities as a member of the whole group. Consequently, the question of mutual understanding and the harmony in the working among the several members of the group becomes a little more difficult and greater attention is to be paid to them than before. This difficulty places a restraint upon the expansion of the group, for unless the number comprising the group is very moderate, it will not be possible for the members to watch and study the activities of their comrades. Therefore a limit is necessary for a healthy progress. When a number of people are working together for their own advancement, their common object becomes very comprehensive and all problems pertaining to their economic, political and social, moral and religious upheaval demand their considerate attention. The next quality of readiness for self-sacrifice puts the member of a group to a severe test, though in the long run it makes him a hard fighter in the battle of life. Now, the growth of responsibilities of the individual in the manner described above brings in its train also a corresponding growth in his strength. Even the individually weakest member becomes as strong as all the other members put together. As a member of the organisation, he can count upon the help of all the other members. Similarly, he is also bound in his turn to help others. This explains the co-operators' motto "All for each and each for all". The common object of the activities of the whole group which has become very comprehensive as referred to above makes it a perfect State. Thus we have a society identified with the State. And when that stage is attained, we have what is called a real living organism with an identity of interest and with immense possibilities fo the manifestation of the higher qualities of life than the individual ca manifest. Will, intelligence, real love and spiritual powers are a developed in it.

In this evolution towards the development of a civilisation, it is imbued with the ideal of freedom, of justice, of beauty which form the prevailing features of its civilisations at various stages. Whichever be the ruling ideal at a time, the more strongly it is held, the more powerful becomes the State, for, the synchronous vibration of many minds in harmony brings about a psychic unity which endows the whole body politic with a power nothing short of the Divine. Some may call this communal consciousness which devises ways and means for the superior enjoyment of the intellectual and spiritual nature of man. This is a perfect City State and here we have ideal co-operation.

Now, coming to the historic aspect of the question, this co-operative ideal was the basis of all social development in Ancient India. Every village then was an ideal co-operative society looking after all the needs of the villagers. Even today we have got their relics in their caste samudayams in several villages which collect donations and conduct village festivals, enquire into civil disputes and decide from their local knowledge and common sense, punish criminal offenders with fines and excommunications and a number of such communal acts. Unfortunately the various changes, political, social and economic, India passed through during the past so many years have so altered the modes of life of the Indians that the spirit of collective action has almost died out. The labour-saving machines of the towns have weaned away the villagers from the fraternity to which they belonged

for generations together and made them think that mere accumulation of money would bring them all comforts of life. Naturally, the change in the angle of vision has generated a sort of competitive spirit among men. No transaction between man and man is sincere and honest. All virtues that are apparent are mere professions. Behind them there is only selfishness. The whole life is unreal. In the place of mutual help and mutual understanding, we see every individual struggling against all others for monopolising as much of money as possible. In such competitive struggles, we have the natural sight of the small fry being devoured by the big fish. The illiterate and the ignorant villagers who are the actual cultivators of the soil and the producers of all food grain, who have not the boldness to migrate to the towns nor have continued the old communal system in their own places are handicapped in both ways. They have neither kept alive their old virtues nor learnt the new vices. But has the condition of the urbanites improved? Certainly not. In the competition, all money has accumulated in the hands of a few. The majority are in the same condition of poverty as their village brethren. Nay, they are worse off, for they have to maintain a certain style of living. The conditions of the urban proletariat is still worse.

It was with the idea of giving relief to such suffering men that the Co-operative Societies' Act was passed by the India Government in 1904. During the period of its working since then, thousands of co-operative societies have been established all over the country. The Government Administration Reports give us glowing accounts of the progress of the movement and large figures about the sums invested in these societies, the amounts lent to other members, and the number of persons helped with loans at a low rate of interest. With all these we are as far from our ideal as before and the condition of the masses is not a whit improved. It is a well known fact that most of them are not able to have even one hearty meal a day. It is a long and sad tale that need not be dilated upon now. My point is however that the system underlying the present working of the co-operative societies' Act is fundamentally defective. However much we might have helped the struggling masses with cheap money and whatever benefit they might have derived, through the few stores, trading and industrial societies, I don't think there will even be about a dozen societies in the whole country where we can find an identity of interest among the members. They meet now and then and work together for any one purpose. All their attention and energy do not converge into one point of their common welfare. Their defects and weaknesses in other respects eat away their very vitality.

Consequently, there is no real living social organism possible. A best society gives at the most what may be called economic efficiency. A great man has said "The evolution of humanity beyond its present level depends absolutely on its power to unite and create true social organisms. Life in its higher forms is only possible because of the union of myriads of tiny lives to form a larger being, which manifests will, intelligence, affection, and the spiritual powers."

CAN THIS BE A WAY OUT FOR THE SURPLUS FUNDS OF THE FINANCING BANKS ?

MR. G. LAKSHIMNARAYANA,
(Director, L. C. Union, Peddapuram.)

All co-operators are in search of ways and means to find out an outlet for the surplus funds of the financing banks. Long term loans are given freely; crop loan system is introduced. New societies are started to absorb funds; yet there are surplus funds.

The Marwaris.

It i[illegible] of one and all that there are money-lending [illegible] small towns. They grant loans on the pled[illegible] market rate of gold and value the jewel to [illegible] loan to the extent of 50 to 60 per cent of the valu[illegible] The interest charged is Rs. 1-2-6 per Rs. 100 per mon[illegible] the amount is not repaid within three months the interest is charged at Rs. 2-0-0 per Rs. 100 or in some cases more according to the understandings. In this way, large profits are made by these shops. All classes of people—merchants, ryots, etc.—resort to these shops and pay heavy rate of interest. In cases where repayments are not made and when the lender thinks that the principal and interest exceed the value of the jewel pledged, notice is given to the party and the jewel is sold in auction. The capital of each shop may range from Rs. 20,000 to 50,000. People readily resort to these shops knowing that the rate of interest is high and the penal conditions are very hard. The simple reason for this is that the loan will be given at all times and they need not wait to take money after the loan is applied for. No share capital is to be deposited. No sureties are required. The conduct and character of the person need not be known. On account of these facilities, though there is heavy loss in interest, people are making use of these money-lending shops and paying heavy tolls in the shape of interest.

Delay in Sanction of Co-operative loans.

The benefits of co-operative societies are reaped by a small percentage of the people who are able to fulfil the conditions required by the

bylaws of the Society. Before a man can take a loan, he has to put in an application to a society for membership; invest some money in the way of share capital; go in for one or two sureties who are members of the same society or pledge some of his immovable property with an encumbrance certificate, if need be, and has to wait for some time till the society gets money from the financing bank. The society can get it only after observing certain formalities which require time.

The ready credit that is afforded in a money-lending shop and the restrictions placed in a co-operative society for the grant of loans make people resort to the money-lending shops more freely.

Need for Co-operative loans on pledge of jewels.

Why not with the surplus funds available in the financing banks similer shops be opened to the benefit of the people at large on *"Gold and silver pledge loan system"*. Some of the penal conditions of the 'Marwari money lending shops' may be done away with and suitable ways and means may be introduced to safeguard the investments made.

Each bank which has got surplus can start one or two shops of similar nature with a capital of Rs. 40,000 or 50,000 in one or two towns within its jurisdiction. A small establishment of two paid workers who have got knowledge of this sort of Banking with a small investment on other equipment can push on with the business. To safeguard the money entrusted to the worker, enough security may be taken. Rules and regulations regarding the running of the business keeping and checking the accounts and other particulars connected with it may be framed.

If this system of co-operation is introduced, the rate of interest in the country can be reduced, the evils of 'the money lending shops' can be avoided and much good can be rendered to all classes of people. I request all co-operators to consider the matter carefully and try to see whether this can be a "way out for the surplus funds of the financing banks" also.

AGRICULTURAL INDEBTEDNESS—SOURCES OF CREDIT *

BY MR. N. G. RANGA, B. LITT. (OXON).

The number of the sources of credit has increased to an enormous extent in the last fifty years. As the prices of lands and agricultural produce have risen, the capacity of people has also risen to more than a corresponding extent. The number of money-lenders has risen and

* This is a part of the written statement submitted to the Royal Commission on Agriculture.

the ability and willingness of these money-lenders have shown a tendency to rise to a corresponding extent, as can be seen from the examples given in "Economic Organisation of Indian Villages", Vol II.

Often, all that an average ryot has to show as security for his debts are his cattle and so he is obliged to pay a higher rate of interest than others who have some valuable lands. Vaisyas have for a long time been notorious as those who are prepared to lend money to ryots whose economic security is not so good, simply with the intention of depriving such customers of all their property in a few years, by charging very high rates of compound interest. They charge 12 to 24 per cent interest whereas the money-lenders of the ryot class charge only 9 to 18 per cent.

Marwaris.

Even Vaisyas are not so daring and unscrupulous as the Marwaris of the Northern Circars. Any ryot can approach a Marwari with a request for some loan and he will be granted a debt at 12 to 18 per cent compound interest, on condition that he furnishes the Marwari with two securities. Then the borrower has to agree to return the principal and the interest at a particular date in the first six or twelve months and if he fails to pay back his debt on that date, he will be charged a penal interest varying from 36 to 50 per cent. Though it is Vaisyas who originally started this practice, it is these people who have made it a fine art in compelling a ryot to issue a pro-note for say Rs. 500, when he has in fact received Rs. 300 or 400.

Imperial Bank.

The Imperial Bank of India has been advancing money to a few ryots in each District, on collateral or other security, at tolerable rates of interest. Though the number of branches has been on the increase and money is lent out more freely than formerly and ryots approach the the Bank more readily than in the past, it has not been able to satisfy the demand for credit coming from villages, to any appreciable extent.

Co-operative Credit Societies.

These societies have become popularised in the deltaic villages chiefly in the last ten years, though there are still thousands of villages in the deltas which have no credit societies. Wherever these societies have been established, there has been worked a real revolution in the methods of obtaining credit.

First of all, even big money-lenders and ryots have seen the benefits of such a society and have begun to borrow large sums of money from it. Secondly, the rates of interest they charge to their own

customers have been lowered considerably, for instance, from 12 per cent to 9 per cent in many villages with which the writer is acquainted. Thirdly, most of the ryots who have less than twenty acres of land are able to obtain credit on easy terms so that they can either pay off their old debts or pay the Land Revenue. Fourthly, many ryots who have more than twenty acres of land are able to borrow money occasionally from such a society so as to meet some emergency or other. Fifthly, agricultural workers and skilled artisans like the hand-loom weavers are able to get easy credit at the Society for short periods. In fact, a ryot used to get all the work done on his fields by his customers as interest on the petty sums of money or cereals lent to the Panchamas of Nidubrolu in Guntur District. But after the Credit Society was formed in 1923, very few Panchamas borrowed from him and so he had to spend Rs. 400 worth of paddy in order to get enough labour to finish his work on the fields. Lastly, most of the societies of Guntur District have taken very good care not to lend even small sums of money to those young men who are suspected to be addicted to wasteful habits of life.

BYE-LAWS
OF
THE MADRAS PROVINCIAL CO-OPERATIVE UNION.

No. 1130.

(as approved by the General Body in its Meeting dated 10th July 1927).

Name and Registered Office.

1. The name of the society shall be 'The Madras Provincial Co-operative Union.' It shall be registered as a Co-operative Society under Act II of 1912. Its registered office shall be in Madras. Its operation may extend to any part of the Province of Madras.

Interpretation.

II. In these bye-laws, unless there is anything repugnant to the subject or context—

(a) 'Act' means the Co-operative Societies' Act II of 1912 or any other enactment which, for the time being, regulates the law relating to Co-operative Societies in the Province of Madras;

(b) 'Rules' means the rules for the time being in force under the Act;

(c) 'The Union' means the Madras Provincial Co-operative Union;

(*d*) 'Provincial Society' means a society having operations under its by-laws which may extend to the whole or any part of the Province of Madras ;

(*e*) 'Central Bank' includes a 'Banking Union' :

(*f*) 'District Federation' includes a 'District Council of Supervision' and a 'District Institute' ;

(*g*) 'Local Union' includes an 'Audit Union' and every other Federated Union of any type of Co-operative Organisations ;

(*h*) 'Member' means a registered society which, or a person who, for the time being, is a member of the Union under these bye-laws ;

and (*i*) 'Delegate' means a representative who is duly elected to the Union under these bye-laws.

Objects.

III. The objects of the Union are to promote the Co-operative Movement in the Province of Madras, to propagate the principles of Co-operation and to serve as the recognised exponent of non-official co-operative opinion in the Province. In furtherance of these objects, the Union shall be at liberty to do all or any of the following acts :—

(1) to organise and develop diverse types of societies ;

(2) to assist the work of Language and District Federations and Local Unions, in particular, and of other registered societies affiliated to it, in general ;

(3) to publish Co-operative Journals ;

(4) to publish, stock, distribute and sell leaflets, pamphlets and books dealing with Co-operation and allied subjects ;

(5) to organise public lectures, conferences and exhibitions ;

(6) to organise Co-operative Education, through training classes and other appropriate means, for supervisory and administrative staff of non-official agencies ;

(7) to act as an information bureau for the affiliated societies and the public and to maintain a Co-operative Library in the City of Madras ;

(8) to organise and promote Rural Welfare Schemes ;

(9) to raise funds according to these bye-laws and to administer the funds so raised ; and

(10) generally to do all such other acts as are incidental or conducive to the attainment of any or all of the objects aforesaid.

Membership.

IV. Membership of the Union shall be open to—

(*a*) Societies registered under Act X of 1904 or Act II of 1912 or any other Act, for the time being in force, and falling under any one of the following classes :—

(*i*) Provincial Societies,

(*ii*) Language Federations,

(*iii*) District Federations,

(*iv*) Local Unions,

(*v*) Central Banks,

(*vi*) Urban Banks whose working capital on the 30th June preceding the date of application for affiliation is not less than Rs. 20,000, and

(*vii*) Non-credit Primary Societies, on limited liability basis, not falling under any of the classes above ; and

(*b*) Persons of knowledge and distinction in the field of Co-operation who may be invited by the General Body or the Board of Management to be honorary members of the Union. Their number shall not at any time exceed 20 and the term of their membership shall be 2 years; but they may be re-invited, from time to time, in the manner stated above, to serve as honorary members for a fresh term. They shall not vote at General Body Meetings. They are eligible to all offices in the Union and may vote in the Board of Management and the Executive Committee.

Funds.

V. The funds of the Union shall be derived as under:—

(*i*) Subscriptions and Contributions as per bye-law VI,

(*ii*) Sale of co-operative literature and publications,

(*iii*) Voluntary contributions,

(*iv*) Subsidies, if any, from the Government, and

(*v*) Loans.

VI. (1) Member societies shall pay annual subscriptions as provided below:—

(*a*) every Provincial Society shall pay Rs. 100,

(*b*) every Language Federation shall pay Rs. 25,

(*c*) every District Federation shall pay Rs. 15,

(*d*) every Local Union shall pay Rs. 5, and

(*e*) every Central Bank, Urban Bank or other Primary Non-credit Society shall pay Rs. 5 on every lakh of its working capital as it stood on the 30th June of previous year, or a fraction thereof, subject to a maximum of Rs. 25.

The annual subscriptions from member societies shall fall due at the commencement of each co-operative year and be payable not later than the 31st October of the year. They shall be recoverable as debts due to the Union.

(2) Any primary society which is not eligible for membership under bye-law IV (*a*), but which by a resolution of its general body signifies its consent to contribute to the funds of the Union, shall pay annually Rs. 2, if it is one on unlimited liability basis and Rs. 2/8, if on limited liability basis.

In the case of non-member societies, their resolution to contribute to the funds of the Union, when once passed and communicated to the Union, shall be in force, until the original resolution is revoked by a resolution of the General Body of the society concerned. Such resolution shall not come into effect till it is communicated to the Union and till the commencement of the next co-operative year.

(3) Honorary members are not liable to pay any subscription.

VII. The funds of the Union shall be devoted to the promotion of any or all of the objects mentioned in bye-law III.

VIII. To carry on its work, the Union may raise loans, provided that the total amount of liability at any time shall not exceed half the amount annually falling due on account of subscriptions from member-societies and contributions from non-member societies.

Supply of Publications.

IX. Bulletins of Co-operation in English and Tamil and Pamphlets and Leaflets and other Publications of the Union will be supplied to member societies and societies contributing to the funds of the Union under Bye-law VI, in accordance with such terms as the Executive Committee or the Board of Management may from time to time prescribe in that behalf.

Constitution.

X. There shall be

(1) a General Body,

(2) a Board of Management ond

(3) an Executive Committee.

General Body.

XI. The General body of the Union shall consist of delegates of member societies and Honorary Members.

XII. Every member society shall appoint one of its members as its delegate to the Union for each co-operative year, by a resolution of its General Body or Managing Committee.

XIII. Every Delegate shall have one and only one vote.

XIV. General Meetings of the Union shall be held at such places and on such dates as the Board of Management or the Executive Committee may from time to time decide. At least one such shall be be held in the course of each co-operative year. It shall be also the duty of the Executive Committee to convene a General Meeting on the requisition of not less than 20 members.

XV. (*a*) The quorum for a General Body meeting shall be 35.

(*b*) If at the hour fixed for a General Meeting a quorum is not present, the Chairman shall have the power to adjourn it for an interval not exceeding 30 minutes and if no quorum is formed within that time, the meeting shall stand dissolved. If the meeting was called at the requisition of members, it shall not be called again without a fresh requisition; in any other case, the Executive Committee may convene it at such time and place as it may think fit.

XVI. The President, or in his absence the Vice-President, shall preside at such meetings. In the absence of both, any delegate or honorary member may be elected by the meeting as Chairman.

XVII. All questions shall be decided by a majority of votes; and in the case of equality of votes, the Chairman shall have a casting vote.

XVIII. The supreme authority shall be vested in the General body of the Union. Besides exercising general supervision and control, the General Body shall have power to

(i) elect the President, the Vice-President and the Secretaries (not exceeding three in number) and the members of the Board of Management as provided hereunder once in two years;

(ii) define, alter, amend or modify or repeal any of the bye-laws or subsidiary bye-laws of the Union;

(iii) consider and adopt the annual report and accounts presented by the Board of Management, with such remarks or modifications as may be resolved upon;

(iv) remove members, hear and decide upon appeals or complaints against the Board of Management, or the Executive Committee, or individual members thereof;

(v) define or alter the policy or programme of the Union; and

(vi) transact all other business incidental to the General Meeting.

Board of Management.

XIX. (*a*) The Board of Management shall have, subject to the supervision of the General Body, control of all business carried on by, or on account of, the Union and shall meet at least twice a year.

(*b*) The quorum for a meeting of the Board of Management shall be 12.

XX. (*a*) The Board of Management shall consist of the President, the Vice-President and the Secretaries elected under bye-law XVIII (i) and of the delegates elected and co-opted from among the members of the General Body as provided hereunder :—

(1) Provincial Societies—1 delegate each.

(2) Language Federations—1 delegate each.

(3) District Federations and local unions in each district (together)—1 delegate for the district.

(4) Central Banks—8 delegates, 3 from Tamil districts, 3 from Telugu districts, 1 from Kerala (Malabar) and 1 from Karnataka (S. Canara).

(5) Urban Banks—3 delegates.

(6) Limited Liability Primary Non-credit Societies not falling under any other class.—3 delegates.

(7) Honorary members—3

(*b*) The members of the Board of Management (except Honorary Members) shall be elected by the respective constituencies aforesaid at the Annual General Meeting of the Union. If any district was wholly unrepresented by delegates chosen by the District Federation and the Local Unions therein, the district so unrepresented may elect its delegate within 2 months from the date of the Annual General Meeting. The 3 Honorary members on the Board shall be co-opted by the elected members of the Board.

(*c*) The Board of Management shall hold office for a term of 2 years.

(*d*) Interim vacancies on the Board of Management may be filled up by co-option by the remaining members of the Board from among the members of the General Body, having regard to the constituencies in which they occur.

Executive Committee.

XXI. Subject to control and delegation by the Board of Management, the administration of the Union shall vest in an Executive Committee consisting of the President, the Vice-President, the Secretaries

elected by the general body as aforesaid, and eight other members, elected by the Board of Management, three from Tamil districts, three from Telugu districts, one from Kerala (Malabar district) and one from Karnataka (South Canara District). They shall hold office for 2 years. The quorum for a meeting of the Executive Committee shall be 5. Interim vacancies may be filled up by co-option by the remaining members of the Executive Committee, from among the members of the Board of Management.

XXII. The Executive Committee may decide the manner in which the funds of the Union shall be invested.

XXIII. The Executive Committee shall have power to appoint and remove all officers of the Union other than those elected as provided above; and shall also have power to appoint, remove, suspend or fine its employees and to fix their duties, salaries and allowances.

XXIV. Within fifteen days after the close of the co-operative year, that is, after the 30th June of every year, the Executive Committee shall prepare (*a*) a statement showing the Receipts and Disbursements of the Union during the previous year, and (*b*) a statement showing the Assets and Liabilities as they stood on the last day of the previous year. These two statements shall be submitted to the Registrar without delay. After the Registrar has verified the statements and granted his Audit Certificate, the Union shall publish them in the manner approved by him.

Subsidiary Bye-laws—Amendment—and Interpretation.

XXV. The General body of the Union shall have power to make subsidiary bye-laws for carrying out the objects of the Union and for administering its bye-laws ; provided that nothing in the Subsidiary Bye-laws so framed shall be repugnant to any of the provisions of the Act, the Rules or these Bye-laws. The subsidiary bye-laws shall not require the approval of the Registrar for their operation.

XXVI. No alteration in addition to, or amendment of these bye-laws shall be valid unless it is registered by the Registrar under the Act.

XXVII. Should any doubt arise either in the construction of the Act, or of the Rules or of these Bye-laws, or Subsidiary Bye-laws or in regard to any other matter, the Union may obtain the advice of the Registrar and shall abide by it.

THE SALEM DISTRICT URBAN BANK LIMITED.

Annual Meeting of the Members held on 27th November 1927.

SPEECH BY THE PRESIDENT, MR. ADINARAYANA CHETTIAR, BAR-AT-LAW.

This Bank has entered on its twentieth year and it is fitting that I should say a few words at the commencement of this meeting as we have assembled here to-day, the leading co-operators of the District.

The comparative statement printed as part of the report already circulated to you will show that we have made considerable progress since 1908. Many of you, older co-operators, will easily realise that the conditions obtaining then were far different from those obtaining to-day. The Registrar then guided our every move. The Departmental Inspector not only saw to the actual disbursement of the loan but helped the District Bank to collect the same. The District Bank was then solely concerned with the work of tapping the local resources. It was then possible to establish intimate touch between the Central Bank and the societies, nay, often with the individual members of primary societies. But now all that is changed. The personal touch has had to go, naturally with the vast expansion. Mechanisation has set in and to add to these the Government has practically withdrawn from supervision and has left the Central Banks to their resources—rather suddenly and at a time when they have not yet built up a parallel supervising agency. Hence the need to take stock of and plan out a course for the immediate future so that our district may obtain the full benefits of this great world-movement.

We know the co-operative hierarchy now consists of (1) Primary societies, (2) Supervising Unions and (3) the Financing Central Banks. The burning question now is "Is there any necessity for a fourth institution such as a Federation? Will it be really a fourth or the fifth wheel clogging the progress of the car? If a Federation is desirable, what should be its constitution? Should it be an institution which should ignore the Central Bank altogether and completely take up its inspection and supervision work, or should it be a composite body consisting of representatives of Unions as well as of Individual Members of the Central Bank? Is the new body to work as a sort of rival to the Central Bank in which case it will be a source of mischief, or as a duplication of the Financing Bank, in which case it will be a harmful superfluity?

These are the questions which are exercising our mind just now; but what is even more to the point, are exercising the minds of an expert Committee on Co-operation. Under these circumstances, I would ask you to come to no hasty decision but to await the conclusions of the Committee which are expected to be published early in 1928. I warn you that any hasty decision on your part, hustled thereto by a few interested propagandists who do not scruple to attack the District Bank in a cowardly manner behind its back, will make you repent for the same and set back the clock of progress in this district with dire economic consequences to the poverty-stricken ryots. Closely allied to the question of Federation, at least in this District, is the question of the elimination of the Individual Shareholder. He has been painted by some as an avaricious dividend-grabber, completely oblivious to the welfare of the ryots in the villages. He is pictured as overshadowing all other interests. But I ask you to place your hands on your hearts and say whether this description is anywhere near the truth? Analyse the attendance at the Annual Meetings where alone by-law amendments and final disposal of financial questions can be discussed or adopted. The attendance and hence the voting strength of the rural representatives will be found to be somewhere about ten to one. And further, the individual member, his intelligence, his status, his influence —do these count for nothing? Whatever may be the inclination of a few self-constituted apostles of co-operation in this District, investors and the general public may take courage from the fact that neither the Department nor the Committee on Co-operation nor the witnesses who gave evidence before the Committee have dared to propose the annihilation of this hated individual shareholder.

Some witnesses who gave evidence before the Committee on Co-operation in this District waxed eloquent on some of the serious mistakes and misdeeds of this Bank.

Briefly they are:—

(1) That there are inordinate delays in accommodating societies with loans.

(2) That the administration of the District Bank is inimical to the interests of rural societies.

(3) That the District Bank is obstructive—whatever was meant by this big word, and

(4) That inspection can be effectively done by Unions and the Federation and by them alone.

As regards charges 1 to 3, Messrs. Hon'ble V. Ramadas, G.K. Devadhar and Stocker, after a searching inspection of the Bank's records extending to over two hours, came to the conclusion that the above allegations were absolutely false and that there has been not one instance in which the District Bank had failed to look after the interests

of the rural societies. One witness, when confronted with the question "Can you substantiate these allegations" had to confess "delays used to occur 3 or 4 years back."

The last contention of our critics merits a more detailed consideration even at the risk of tiring your patience.

A critical public is never disposed to take a man on his mere words especially when they have to entrust their hard-earned moneys to his care. Naturally they ask, tall talk apart, what is your past record in this direction so that he can judge whether you are capable of doing all that you promise to do.

Thanks to the sagacity and foresight of Rao Bahadur A. Vedachala Aiyer, there was a Federation actually working in this District although it was then known as the District Council of Supervision. It had every favourable circumstance for working. There was money. There was expert guidance. The Financing Bank wished it well and the area was compact. What led to its decline and death? How was it that these self-same self-constituted apostles of rural co-operation saw to it that this institution died an unnatural death and drove the District Inspector away, because he inconveniently exposed the serious faults of these very apostles who, in spite of their tall-talk, manage their own societies in contravention of all the accepted canons of honest co-operation.

Some of you might explain this is all in the dead past; but what of the present? I have culled before you a few irregularities out of hundreds which have been brought to light by the out-door staff of this Bank during the last few weeks. So this is modern history—modern with a vengance.

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Administration of some of the Unions.

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......*Union*:—The Governing Body exists only in name. The members never care to visit the societies entrusted to their charge. Some of th societies deliberately allotted to them are 15 miles from their residence. The President attended only two out of the 8 meetings. Very little attempt is made to put into force the resolutions that are passed. (Vide resolution for rectification of societies dated 6—7—1927). The Senior Supervisor does not verify even the postings of accounts and yet he has prepared the annual statements. The Supervisors lack the general knowledge of even the elements of Supervision. Liability registers are not maintained and even if maintained, not posted up-to-date. A clerk on Rs. 25 is maintained by the Union, and the clerk is no other than the Secretary of the Union. The majority of the societies are working at a loss, yet all of them maintain clerks. Cases sent for arbitration to the Union are returned to the societies without sufficient reasons. This was so with regard to one of the Governing Body Members of the Union whose case was sent for arbitration on 13—11—1925 but was returned to the society without anything being done. This is still unrecovered and the Gentleman continues to be a Governing Body Member.

Extensions, I am informed, are advised by a letter of the President of the Union, to be granted to the defaulters without even realising the overdue interest.

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......*Union*:—The working of the Union has become chaotic. None of the Governing Body Members has taken any interest to improve the societies. Loan applications are returned to the societies with some remarks or other. No Governing Body Meeting was held since April 1927. The Union was without a Supervisor for 8 months. Tappals are not even opened. Registers and account books are badly kept. 16 out of 18 Societies are inactive.

Thus it will be noticed that the ideal of the Unions themselves supervising their societies, however well-sounding on principle, has failed so far in this district. If the Panchayatdars of Primary societies are well versed in the correct principles of co-operation and are above the temptation of seeking their own good and display altruism, this ideal would work. But it is a well-known fact that most of the Panchayatdars are ignorant of the right principles of co-operation and that in many cases they have neglected to perform their self-imposed duties to say the least of it. It is also a well-known fact that the majority of the Unions in this District are working unsatisfactorily, while some are not working at all. Thus until co-operative education has been carried to the farthest corners of the district, nay, to the very doors of the rural Panchayatdars, to preach about the immediate attainment of "Co-operative Swaraj" must be an idle dream. I am no pessimist. But progress must be on well-ordered lines and any steps towards advance must contain in themselves the guarantees of sustained life and continuity.

Therefore any agency you propose for carrying on educative propaganda—even if it be a District Federation—must meet with approval although any proposal to deprive the Financing Bank of its power of control must be stoutly opposed.

Great leaders of the movement like Sir Lallubhai Samaldas, experienced administrators like Dewan Bahadur R. Ramachandra Row and Rao Bahadur A. Vedachala Aiyer, leading non-officials like Rao Bahadur V. Venkata Chariar, Rao Bahadur Balakrishna Aiyer, Rao Bahadur N. Krishnasamy Ayengar, Sir T. Desika Chariar, and actual workers in the field like Rao Sahib M. S. Seshachala Aiyer and Mr. V. R. Srinivasan of Kumbakonam and Mr. V. C. Rangasamy, and Rao Sahib T. Srinivasa Rao have reiterated their opinion that it is the financing bank and the financing bank alone that should be entrusted with the work of supervision. By supervision I do not mean undue interference with the internal management of the primary societies which must be the legitimate function of the local supervising union.

I am tempted to quote here' *in extenso*' the opinions of these eminent co-operators but I have no time. Moreover they have been published in the daily press and will be soon available in the printed report of the "Committee."

If I have persuaded you that as things in the district are at present the financing bank should continue to retain within its hands the power of supervision and inspection, it is our duty next to review the steps the District bank has so far taken towards discharging its onerous duties and to examine what other or further steps it has to take.

The bank has entertained 6 Inspectors so far at the rate of one Inspector for 2 taluks. But the reports and inspection notes that are regularly coming in from the field staff have to be dealt with by the existing clerical staff of the bank in addition to their regular routine duties. Naturally delays occur in dealing with these reports by the Bank. It may be that one Inspector reports that there is a heavy cash balance retained by the President of a society and that he suspects the balance is sought to be disposed off by means of a benami loan. The Inspector suggests that a stiff but friendly letter of advice might be issued to the President at once. But if his report can be dealt with only after a lapse of weeks or months, the very object of having an expensive field staff is frustrated. A co-ordinating, if not a controlling, senior inspector must be entertained in the bank to direct the movements and programmes of the field staff, to examine their reports, to suggest suitable action to the Executive Committee and to the Board of Management and to direct an inspector to any particular spot if any information has to be urgently or specially obtained. Some interested people have sought to misrepresent matters by stating that the District Bank field staff has to supersede the Union Supervising Staff or to work in antagonism to them. Hence, I take this opportunity of assuring you that this is absolutely untrue. The field staff are to supplement and not to supplant the staff of the Unions who have always complained that they have not enough financial resources of their own to maintain an efficient staff themselves and the clear terms of the Circular sent to all the Unions last September and the explicit written instructions issued to the Bank's field staff must convince you all that the Bank's staff is to supplement the Union staff and when necessary to teach them and guide them.

I should take this opportunity of mentioning here that the manager of a central bank dealing with five hundred institutions and with nearly a quarter of a crore of rupees must be a well-paid and efficient individual. It is better you make up your mind to part with something between 200 to 300 rupees a month to secure an efficient executive officer. I assure you it will be the best possible instrument.

One other thing I must mention here although I am sorry I have to do it. I must state that the relations between the Bank and the Department were not good for some time. Some of the officers, for purposes not easily understandable, seem to have misrepresented matters to their head with the result that the acts done by this bank and its staff in good faith were misrepresented as deliberate acts of wanton antagonism. But now that things have cleared up, it is hoped that the relationship hereafter will be harmonious and it will, indeed, be a wonder if it were not harmonious seeing that the end both the officials and the non-officials have in view, is the same, namely, the prosperity of the ryots. I have left myself little time to deal with the various items included in the long agenda which is before us at the meeting. But a word or two about some of the more important items may not be out of place here.

Foremost in importance, I would place the question of the reduction of the rate of interest on loans to rural societies. I know I would easily win great popularity by proposing a great reduction at once and I wish I could conscientiously earn that popularity. A reduction in the rate of interest is most certainly due, nay, somewhat overdue. But what is the safe limit? Is it advisable to pass on the whole one per cent reduction we have obtained from the Apex Bank to the rural societies, as some of the amendments given notice of by some of my friends would wish? I leave the answer entirely in your hands. But this much I am bound to tell you. The Apex bank in deciding on one per cent reduction has distinctly stated that the whole of this is not to be passed to the rural societies but a sufficient margin must be retained by the District Bank to strengthen its field and higher supervision staff. Otherwise it threatens to cut away this concession and that this is not an idle threat would be clear to you from the fact that at the meeting of the last Executive Committee (19—11—27) it has actually resolved to do so in the case of a certain bank which has sought to get round the above condition. My request to you therefore is to be modest in your demands and not to sacrifice efficiency for the sake of cheap popularity. Moreover, is the real need of the co-operative movement to-day only reduction of rate of interest on loans? Are the grave defects now found in societies—a few of which I have tried to indicate a little while ago—connected in any way with this alleged high rate of interest to the primary society or to the primary borrower? Can any one present here come forward to give an assurance that, given a substantial reduction of rate interest, these great defects will disappear like mist before the rising sun?

In conclusion, I request you that in voting on the many matters that will be placed before you for your decision, not to be carried away by ideas of small and immediate benefits but to have in view only the good of the movement. If you can take that view, artificially created and industriously exploited, clash of interest between the central bank and the rural societies or the problem of rural co-operator *versus* the Individual co-operator will vanish at once and the false teachers of co-operation who seek to attain selfish ends or desire cheap popularity by giving wrong education or by talking to ignorant ryots about rights, carefully omitting all references to duties, will find their occupation gone.

The movement has expanded quantitatively. Soon this Bank will be unwieldy of management and the question of one or two branches as in Bombay Presidency will become a practical proposition. With expansion will arise the need of more workers, "co-operative missionaries" as my friend Dewan Bahadur R. Ramachandra Rao would persist in calling them. Many of you perhaps do not know that we have in this District, to-day, a large number of educated and cultured men—men of wealth and leisure who have offered themselves for co-operative service. But if some of you are going on stumping the whole district with no other object than that of levelling false charges against the District Bank of which you are yourselves Directors and attacking that institution vilely (and carefully behind its back) and in season and out of season and scatter undeserved abuse on self-sacrificing individuals who have come forward to do gratuitous service, is it to be expected that sensitive men will come forward and render that service which they are so competent and so anxious to render and for whose co-operation our cause will be all the better?

CORRESPONDENCE.

MORTGAGES AND ATTACHMENTS.

Mr. M. S. Kailasam Iyer, Secretary, Tiruvalur Urban Bank, states in his short note to the Madras Bulletin (page 60 of the issue of August 1927) that "attachments are made by civil courts in execution of decrees as well as by the Revenue Department for arrears of Land Revenue." These are not notified publicly so as to enable co-operative sccieties to avoid creating any mortgage or security after attachment against such attached property. He suggests a remedy by asking the civil courts as well as taluq officers to give a regular intimation of such cases to the Sub-Registrars who should index them with other encumbrances to grant certificates. The remedy suggested does not appear to be practicable. In the first place, such attachment notices are not encumbrances permanent on the property to entitle the Sub-Registrar to index them as such. These notices will get cancelled when the dues are met. When such notices are cancelled, withdrawals should also be sent to the Sub-Registrar and indexed. Attachments of immovable property when effected by the civil court or the Revenue Department are always notified by due publication in the village or in the Gazette. It is the duty of every creditor to find out if any such attachments are subsisting in any property on the security of which he intends to advance any money. A co-operative society should not and a special privilege in this respect. But at the same time the difficulty experienced can be amply met if the village Munsif who arranges for the publication of attachment notices of immovable property by the civil court or Revenue Department is asked to notify such attachments to the Co-operative Society. The latter will then refrain form advancing any lcan on the security of such property till the attachment is raised.

If the Civil Court attaches a property already mortgaged to the society the attachment and sale of such property will not extinguish the claim of the society owing to its having a prior lien on the property. In the case of Revenue Sales, however, the land is sold free from encumberauces. Hence the society should be careful to pay up the State dues itself or to have it paid by the borrower and to see that the property is not brought to sale.

A. VEDACHALAM.

UNIONS AND SUPERVISORS.

With reference to your article in the Bulletin dated July 1927 on the subject of Unions and Supervisors, I wish to offer my opinions about the same as follows:—

In December 1924 an article was published by me in the "Sahakary" on the above subject in which I already pointed out that supervisors cannot but be conciliatory with the Union directors in functioning their duties, and to explain this capaciously it is fundamental to deliberate the reality of adminstration of socities.

We are not paying proper attention regarding the sternness of policy of the society Panchayat and also the way of making them integrally lucrative.

These co-operative societies have been organised with the idea that the secretariat are consonant with serving for the people. We have to observe keenly the sentiment of the Panchayat which is the fouudation of these societies. Persons of high educational qualifications do not at all live in villages and it is only scriviners that are available in the villages. Traders and bankers will not join the societies, and if at all they do so, they always work with pretended philanthrophy. The following are some of the expressions of some of the secretariat:—

After having organised the society, collected the share capital, sent them to banks, held responsibility for giving lcans and bore patiently the insults and toils in collecting them, are we to give the pence saved to the supervisor and beg the banks for money, all the scrivener's duty in this bank ours? Is this not a futile duty? My interest in this goes so far as you get me a lcan.

2. Do these directors who come, one from this village and the other from another and draw their T A's, give loans to the societies, and collect them?

3. If the panchayat were to judge and give loans, and authorities collect them, then is this our function, one of giving and begging for the same?

4. Is the horse to enjoy the harvest got by the bull's labour?

5. Let the paid supervisor come and look to the records, not we!

Such is the jocular treatment givem to this movement by the secretariat.

Secretaries must well understand the rules and do their duties regularly for which it is neccessary that they should be given enough remuneration in the shape of reward and sufficient encouragement.

The Union Directors:—As is already pointed out in "Hemingway's Manual", societies must well convince the people dividing this work among themselves.

First of all the Union directors must be trained for a period every year, by the department. This is not necessary in the year when the directors do not change.

All transactions should be in vernacular.

A supervisor having given the real reports about a secretary feels it very difficult to go to that village. Union directors can discharge the two duties, Executive and Administrative. They flare that unless they give a true report, their honor will be hurt. So being wise and influential, they can boldly give a free report in the meeting.

Unions can never assume their real shape unless truth and sternness flourish.

"But since more valuable are the visits and inspections of Union governing body members themselves, such men are ordinarily the best known and most respected of the Co-operators in the locality and they naturally command great influence with the societies. Excellent results have been obtained by these inspections." (Vide Page 25. Part II, Hemingway's Manual.)

Co-operation will not be in a flourishing condition unless some wise men work for it sincerely all through their lives.

As there is no objection for a representative of a bad society to get himself seated in the Union Directorate there is every possibility of this man, turning the matters worse. No paid supervisor nor the superior staff can cure this.

A rule for the candidature of the directorate of the Union needs to be framed as follows :—" Only the representative of a society which has more or less percentage of overdues and which is reported to be satisfactorily working on the fundamental principles of co-operation should be elected as a director in the Union."

This I think is only a modification or rather an elaboration of the Union bylaw No. 15 which refers only to the personal qualifications of the representative.

If it is ambition to put into execution the real spirit of self-government with the aid of co-operation, the executive bodies of both the Unions and Societies should be such as to exert themselves personally in the field of co-operation, but should not rely on the reports of a paid servant having the appellation of a supervisor.

Moreover the directorate is apt to be easy when there is a paid servant to work for them.

So, my humble opinion about the matter is to request to consider the circumstances and facts stated above with a broad view of co-operation, and to equip the Union with a peon and a clerk. Further, I emphatically urge to encourage the executive body of the societies so that the foundation of co-operation may be strongly laid.

"A CO-OPERATOR".
Arasavalli.

TO THE MEMBERS OF THE SPECIAL COMMITTEE ON CO-OPERATION.*

Dears Sirs,

It is with great pleasure that I venture to enclose herewith a copy of the Annual Report of the Erode Christian Co-operative Union Ltd., for 1926—'27 and I do most earnestly request you on behalf of the Union Governing Body members to be so good as to go through the report with a view to find out the needs of both the Adi-Dravida Co-operative Societies and the Adi-Dravida village settlements connected with the Union, so that your visit to this Union area of operations may prove a means of great help and encouragement and enable us also to solve some of the difficult problems which we are facing to-day especially after having taken up the village-settlement work. Considering the extreme poverty and other disabilities of the Adi-Dravidas of the Erode Taluk, it is an undoubted fact that we cannot make the village-settlements a success without the whole-hearted co-operation and timely assistance of all true co-operators. The task of uplifting the members of the depressed classes is a magnificent one though it be a tremendously difficult piece of work. There are several discouraging features no doubt, but we have a strong hope that such difficulties and hindrances will pass away before long and that the greater the task, the greater will be the accomplishment; and so the members of the Union Governing Body would be really glad and feel very grateful if your Committee would try to do what you think best for our Union and the above-said Adi-Dravida village settlements.

*Copy of letter from the Erode Christian Co-operative Union to the members of the Committee on Co-operation on the eve of their visit recently.

G. GNANAMUTHU,
Hon. Secretary,
The Christian Co-operative Union, Erode.

REGISTRAR'S CIRCULARS.

XI

Subject :—Poultry farming and Co-operative egg supply.

(Dis. G. 3041/27 dated 23rd September 1927.)

One of the resolutions passed in the First Indian Poultry Conference held in Calcutta in December 1926 was that " Co-operative Societies in India should be approached with a definite scheme for marketing Poultry and Poultry products". Poultry farming on a large scale for egg production is probably impracticable at present in view of the limited scattered markets which are now receiving an ample supply of cheap small stale eggs but there is a scope for organising co-operative societies which will replace the existing supply and increase the demand by putting on the market in gradually increasing quantities more eggs, bigger eggs and fresher eggs.

2. The egg-laying capacity of the ordinary Indian fowls is very low compared with that of English fowls. In India, hens lay 40 or 50 eggs weighing $1\frac{1}{4}$ to $1\frac{1}{2}$ ozs. each a year against 200 or more of 2 ozs. each in Europe. Obviously, it is better to keep a hen that will lay 20 lbs. of eggs in a year than one which will give 4 lbs. It has also been proved time after time that 2 or 3 of the well-known breeds will thrive well in India and that certain crosses will also give good results if they are properly looked after; but it is no use expecting to get this advantage without some small outlay and trouble. No hen can be expected to do its duty if it is not properly fed and it is absurd to expect fowls to make an effort if they spend half their time in a black hole from which they are dragged out in the morning. They require attention, proper housing, fresh air and food just as any other animal does. And any such care bestowed on them is far more than repaid by the extra harvest of eggs. At present, it can hardly be said that the villager helps fowls. He allows a few fowls to live in his premises. He puts them for safety into a hole at night and drags them out in the morning. He collects and sells the eggs they produce. If with a little

care and attention and a small outlay he can produce three or four times the number of eggs and eggs which will command a better price, it is well worth while to give the necessary facilities to obtain the fowls and the instructions which will enable him to increase his income from this side-line.

3. The first step should be therefore to introduce into villages a better strain of fowls and to get rid of all the inferior animals now snatching up the food that should go to their betters. Where can be difficulty about getting the better poultry for there is a poultry farm at Coimbatore which is prepared to supply any number of villages who have the enterprise to take it up. But it is necessary to carry on an intensive propaganda by encouraging the members of co-operative societies to obtain from Coimbatore pure bred cocks and replace their present fowls by half-bred stock from pure bred cocks and country hens.

4. It is not enough if more eggs and bigger eggs are produced. What is of prime importance is that they should reach the consumer fresh. It is possible if a number of individuals in various villages round about market centres will keep hardy fowls which can lay a reasonable number of big eggs and will combine together in a co-operative society, engage a man to go round daily, collect the eggs, put the society's date-stamp and proprietory mark on them as a guarantee of freshness and take them to nearest market. But this must be honestly done. There must be no private selling by the egg collector and no losing the money collected with the old story of broken eggs and way-side thieves, and there must be no marking of stale eggs, for once a customer finds an old egg with a new date on it, the society's credit will fall and with it the profits also.

5. It is desirable to organise co-operative egg production and sale societies in the neighbourhood of principal markets to collect the eggs produced by their members and sell them fresh. Deputy and Assistant Registrars are therefore requested to investigate the possibilities of organising such societies in the neighbourhood of big towns and submit proposals for their registration.

XII

No. B. 2447/27 dated 12th Nov. 1927.

Subject :—Loan and Sale societies—loans for the construction of granaries or godowns—Plans and estimates.

In rule 3 governing the grant of State loans to Co-operative societies for the construction of godowns or granaries, it has been laid down that plans and estimates for the construction of such godowns must be submitted to the Registrar of Co-operative Societies, by the society requiring the loan, for his previous approval. It is desirable that the produce stored in such godowns should be preserved from damage by vermin and to ensure that they are rat-proof and rat-free; the following conditions must be observed in drawing up the plans and specifications.

(1) The floor should be at a level not less than 3 feet above ground outside the building and should consist of Cuddapah slabs or stone slabs laid

on 4" of concrete and painted with cement. The slabs should continue through the wall and project at least 1' beyond the wall below the slabs thus forming a small platform all round the godown on to which rats cannot climb. The projecting slab should be continuous all round the building and not interrupted at the doors. The slab for the portion under the wall and projecting beyond the wall should be no less than 3" thick to minimise the chance of its being subsequently broken off.

(2) A strip of ½" mesh expanded metal 1'—6" wide should be laid in the concrete under the flooring slab at the junction of the floor and the wall, 9" projecting into the wall under the slab and 9" over the concrete under the slab. The object of this is to prevent the common practice of rats boring a hole into the room at the junction of the concrete and the wall.

(3) All windows and ventilators should be high up and covered with ½" mesh expanded metal to be closed by bar or staples and the bottom corners of the doors to be protected by thin iron gusset plates. The door should consist of two hinged shutters closing into rebates in the door frames. Doors consisting of a number of loose planks held in position by a bar and staples should not be used.

(4) All openings between wall and roof should be covered by ½" expanded metal.

(5) The walls should if possible be constructed of brick or stone in chunam or cement and should be plastered.

(6) But if the walls are of corrugated iron, these should be embedded in chunam or cement.

(7) In order to prevent rats gaining access to the godowns, no steps wooden or otherwise should be attached to the projecting platform or to the verandah.

If the above provisions are not effectively carried out in the building, the Co-operative Department should carry them out departmentally and recover the cost from the society and loans will be granted only on this condition. The societies applying for the loans may be asked to amend their by-laws similar to by-law 39 of Building Societies to conform to the last condition.

XIII

No. C. 2994/27, dated 22nd November 1927.

Subject :—Supervision fund—Credit and non-credit Societies—Payment of—Amendment to model bylaws.

With a view to bring about uniformity in the matter of levy of supervision fund by audit unions and local supervising unions from the credit and non-credit societies affiliated to them, the following amendments to the model bylaws of the unions and societies are suggested and Deputy Registrars are requested to see that these are carried out at the earliest opportunity :—

Bylaw 10 of audit unions and supervising unions.

Recast as follows:—

"The union shall be authorised to levy each year from credit societies affiliated to it a contribution at a rate not exceeding 8 annas on every sum of interest earned in the preceding year by each such society on every Rs. 100 of loans to its members and from non-credit societies such sum as may be fixed by the governing body of the union. If, however, any dispute arises as regards the levy, the matter shall be referred to the Registrar and his decision shall be final."

Bylaw 37 of credit societies.

Recast 2nd sentence as follows;—

"Towards the expenses of such union, the society shall contribute at a rate not exceeding 8 annas on every sum of interest earned by it in the preceding year on every Rs. 100 of loans to members".

Bylaw 36 of Stores societies and corresponding bylaw of other non-credit societies.

Recast 2nd sentence as follows:—

"Towards the expenses of such union, the society shall contribute such sum as is fixed by the Governing Body of the union. If any dispute arises between the society and the union in regard to the amount levied, the matter shall be referred to the Registrar and his decision shall be final.

GOVERNMENT ORDERS.

G. O. No. 2001 (Development) 26th November 1927.

Co-operative Societies—Non-credit activities—Development—Progress—June to September 1927—Press communique issued.

[Co-operative movement in the Madras Presidency—Progress of development of non-credit activities.]

During the months of June to September 1927, 31 societies of varied types were organized. These were distributed among the several districts as follows: 3 cotton trading unions, a fishermen co-operative society, 2 irrigation societies, a silk weavers' society and a cattle-breeding society in the Kistna district; a loan and sale society in the Bellary district; an arbitration society and a loan and sale society in the North Arcot district; a weavers' purchase and sale society, 2 loan and sale societies and an irrigation society in the South Arcot district; a loan and sale society in the Anantapur district; a co-operative agricultural development society in the Salem district; a co-operative agricultural society in the Trichinopoly district; 4 milk supply societies and a cattle insurance society in the Chingleput district, a khaddar spinning and weaving co-operative society in the Vizagapatam district; a weavers' production and sale society aud an agricultural demonstration society in the Nellore district; 2 societies for bellmetal makers and brass metal makers in the Cuddapah district; a co-operative stores in the Tinnevelly district and a pepper vine growers' sale society and a basket makers' co-operative society in the district of South Kanara.

2. During the period under review, 8 societies were reorganised or revived; a woodcutters' society in each of the two districts of Madura and Tinnevelly and the Bhavani carpet weavers' co-operative society in the district of Coimbatore were revived. The Rekalakunta Christian Co-operative Society in the Cuddapah district was reorganised as a forest coupe co-operative society. Among the other societies reorganized were the Uttiramerur co-operative trading union in the district of Chingleput, a fruit-growers' co-operative society, a labourers' society and a loan and sale society in the Tinnevelly district.

DISTRICT NEWS.

Co-operative Societies—Assistance.

(Instructions issued by the Collector of Ramnad to all Tahsildars and Deputy Tahsildars,)
L. Dis. 7501—27 dated 29th August 1927.

I

The Secretary of the Madura-Ramnad District Co-operative Federation brings to my notice that he is engaged in the work of expansion and consolidation of the Co-operative movement in the districts of Madura and Ramnad and wants to secure the advice and sympathy of the Tahsildars, Dy. Tahsildars and Revenue Inspectors. Please render him necessary assistance.

2. He also wants to obtain certain statistics from the Karnams' village accounts. If he can collect this through his own men without asking the Tahsildars to do it, or summoning the Karnams outside their villages, there seems to be no objection. Please issue necessary instructions in the matter to the Village Officers accordingly.

II

L. Dis 2948—27 dated 3rd September 1927.

REFERENCE:—Letter dated 1—9—1927 from the Secretary of the Madura—Ramnad District Co-operative Federation, Madura.

Para 1 of the above letter is communicated to the Tahsildars and Deputy Tahsildars for information and guidance.

2. The officers concerned will render all necessary assistance not incompatible with the execution of their regular duties.

Extract of paragraph 1 of letter dated 1st September '27 from the Secretary, The Madura-Ramnad District Co-operative Federation, Ltd., Madura, to the Collector of Ramnad at Madura.

As Secretary of the Madura-Ramnad District Co-operative Federation, I am in charge of the work of expansion and consolidation of the co-operative movement in the Districts of Madura and Ramnad. The work involves, amongst others, a careful study of the economic condition of the ryot population and an intensive educative propaganda in villages of the principles of co-operation. The officers engaged in the work naturally require the assistance and co-operation of all revenue officers, particularly the Village Officers. I and the Special Committee in charge of the work shall feel obliged if you can, by means of a circular, instruct your Tahsildars, Deputy Tahsildars, Revenue Inspectors and Village Officers to furnish me and the Special Supervisors employed on the work with all the available information with them when asked for. I shall take care to see that their time and energy are not unnecessarily taxed.

Instructions issued by the South Arcot District Co-operative Banking Union to the Inspector of the Bank.

1. The Inspector should submit his diaries fortnightly; first fortnight before the 20th, and second fortnight before the 5th of next month.

2. The programme for the month will be settled beforehand by the Secretary of the Bank. In no case the Inspector should ordinarily deviate from the programme so arranged unless previous permission to do so is obtained.

3. Ordinarily the chief work of the Inspector will be collection of overdues. But the Bank has the right to direct the Inspector for rectification of bad societies also.

4. When the Inspector attends to collection work in a particular village or a society, he should note the following items of work and shall submit to the Bank soon after the Inspection of the society, an Inspection report in the manner indicated below:—

(a) He should see that the society tries to send the overdues of Principal and interest due to the District Bank.

(b) In order to carry out the above, he should try to meet all the members of the society who have heavy overdues and if practicable to convene a General Body meeting and read before them the overdue list. He must instil into the minds of the members the necessity of keeping up the obligations of the Bank as also the consequences, if that is not fulfilled.

(c) The cash balance of the society should invariably be asked to be produced and verified with reference to the balance in the cash book. Any amount exceeding Rs. 5 should be made to be remitted to the Bank on the spot immediately. If the cash balance is not produced, a statement to that effect should be obtained from the concerned office-bearer of the society, and a special report should be submitted to the Bank immediately.

In cases where heavy cash balance is sought to be retained for more than a month, the office-bearer must be made to pay penalty at the rate of 3 pies per rupee per month and the amount credited in the books of the society.

(d) If a General Body Meeting could not be convened, at least a panchayat meeting may be held and glaring defects in the working of the society should be brought to their notice.

(e) Collections made from members during his stay must be made to be remitted to the Bank before the Inspector leaves for another. He should see firstly, that the society remits the overdue interest to the District Bank.

5. The Inspector should make it a point to stay sufficiently long in the village to attend to collection work Members of societies, most of them being agriculturists, the best time to meet them will be during nights.

6. In addition to the above items of work, whenever the Inspector attends to collection work, he should make it a point to examine the condition of the society in respect of (1) whether the bonds secured from members of the societies are genuine and sound; (2) whether the panchayatdars are defaulters and if so, reconstitution should be resorted to: (3) whether defects pointed out in the previous year's audit order have been rectified; (4) whether the property statement has been revised for the year.

7. In carrying out the above, the Inspector should not be unduly harsh, but must evince sympathy and co-operative spirit, giving a friendly guidance to the societies.

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THE LATE SIR P. RAJAGOPALACHARIAR.

Some Personal Reminiscences.

BY MR. T. ADINARAYANA CHETTIAR, BAR-AT-LAW.

With the death of Sir Perungavoor Rajagopalachariar there has passed away a most notable figure from our midst. He was a statesman whose abilities were unique even in a province which has given birth to many statesmen whose genius has not only contributed to the efficient administration of many branches of the Provincial Government but also has left an indelible mark in the history of many a great Indian State in Northern India. If I am asked to summarise the characteristics of this great man in one word, that word would be "commonsense." Give him any situation—he was ready with his advice and the future would prove his advice was the best. His second great quality was tact. This he possessed to an extent which enabled him to successfully overcome forces ranged against him many a time in his long and brilliant official career. The third, and for my present purpose his last characteristic, was his intense patriotism. I know some of my fellow politicians who knew him only superficially would grudge him this last-mentioned quality but having intimately known him for a quarter of a century, I have no hesitation in saying he was eminently patriotic.

These are qualities any one of which would lift a man above his peers. But a happy combination of all the three helped to make the career of Sir P. Rajagopalachari a brilliant one. The present is not the time nor the pages of the "Bulletin" the place for attempting a life-sketch and the Editor has asked me only to set down a few personal reminisences.

His first appointment was as Deputy Collector and soon after he was posted as District Judge at Salem. His knowledge of the technicalities of Law was not high but his sound commonsense, his human sympathies and his popular ways soon made him an ideal Judge. How he put the veriest Junior at his ease, how he would encourage a timid witness and his loud laugh at any humorous situation that would arise, rendered even his sessions trials interesting. Even the prisoner at the bar would often join in the contagious laughter. The first time I met him was not as the Judge but as the first Registrar of Co-operative Societies.

Next to Chingleput where the great co-operative pioneers Dewan Bahadur Adinarayaniah and Rao Sahib C. Aruliah Naidu were his trusted henchmen, he next turned his attention to Salem. His success in Salem was equally great. His popularity as a Deputy Collector and as Judge and above all his unique way of making even the poorest ryot feel that he was his personal friend helped him in this the most difficult task of pioneering a movement new to the country.

At Salem he would ask his old Duffadar whether his asthma was better and would with equal facility discuss the details of a sensational murder or dacoity with those whom he had known as foremen or jurors. I have had the unique advantage of discussing with him almost every word and every clause of every bye-law of a rural or urban Society and his foresight is evidenced in the model bye-laws which even to-day remain unaltered in their substance.

While he was an enthusiast for Co-operation, he had absolutely no illusions about the subject. Just prior to his appointment as Registrar, he had been placed on special duty for formulating a scheme of relief for weavers. He visited various weavers' centres and addressed many meetings with me but had to decide that the time was not yet for launching on this work in the initial stages of co-operative work in the Province. I wonder whether the opinion he arrived at in 1905 has been found to be incorrect after years of "non-credit" attempts by the Co-operative Department in our Province.

Much water has flowed under the bridge since Sir Rajagopalachariar was the Registrar, but on the eve of 1928 it is hard to say whether co-operatively we have really progressed. very far. The Apex Bank was his idea and I vividly remember the convincing arguments he advanced to me when asking me to subscribe to two shares—he added "dont venture more, after all it is an experiment." It was this cautious spirit of the man that made it unnecessary for his successors to pull down any part of his elaborate structure, while the foundations which he surely and cautiously laid made it possible for his immediate successor—Dewan Bahadur R. Ramachandra Rao—to build on it. To the primary society and the Apex Bank were added the Central (District) Bank and the Supervising Union. How these two statesmen have with unerring instinct and rare foresight been able, a quarter century back, to think out the plans, nay even the details, of the great co-operative edifice would be plain even to the meanest intellect who contemplates today the mighty structure with its 14,000 pillars and varieties, and embracing varieties of structural details which are truly dazzling.

Sir P. Rajagopalachari's unique virtue was in discovering men. If he had not "found" the late Sir V. C. Desikachariar, one wonders whether the Apex Bank now reigning as queen over 31 smaller kingdoms or vassals would have become a success. If he had failed to find my friend the late Ramachandra Sastri of Conjeevaram, the idea of weavers' societies would have hardly materialised. Even in smaller matters, his ability to discover men was unique. It was he who discovered the clerk in the Kilacheri Nidhi and pulled him up until today he adorns one of the highest places in the official hierarchy.

It was in private life however that Sir Rajagopalachari's wit shone at its best. After dinner and during journeys his '*bon mots*' and his anecdotes contributed not only to the gaiety but to the lasting benefit of the friends who were fortunate enough to be with him.

His administration of the 2 Native States, his inauguration of the Forest and Railway schemes in Cochin and the abolition of the "Uttuporais" in Travancore made him the target of a persistent campaign of personal attacks and even vilification. But he lived to see that his foresight was unerring in these as well as in other matters. I am tempted to write a few paragraphs about Sir P. Rajagopalachari's career as Council President but the Editor's instructions (which to me are commands) would not allow me to do so. But all parties and shades of opinion have joined in pronouncing the verdict that he was a great President and his marble bust adorns the Council Chamber in Fort St. George.

While Co-operation in this Province mourns its first sympathetic and understanding gardener to-day, the present writer mourns the loss of a great well-wisher whose timely advice was no small help and inspiration to him (in whatever part of the world he happened to be) during a friendship extending to nearly a quarter of a century.

RURAL RECONSTRUCTION.

By Mr. V. Saranathachariar, B.A., B.L.

The Old Village Communities.

Practical Success in Rural Reconstruction can best be achieved by a comparative study of the conditions of olden day village life and the status of the present day rural population.

Village Communities of old have been portrayed to us by more than one historian and economist as self-sufficient units. They were managed by their own corporate bodies in the matter of political government and in religious and social life. The system of tenure that as conceived of in those days laid upon all the inhabitants of the village their obligation to discharge their duties in common to the peasantry amidst whom they lived and to their neighbouring villagers. The Village Panchayat, the joint family system, and the social and religious bodies inculcated the idea of economic self-sufficiency, communal oneness and solidarity.

Decay of Agriculture.

Agricultural profession with which every one was familiar and which every one cherished as his dearest object is now looked upon as undignifying and less honourable. There is an overcrowding into towns to find some remunerative employment. Agriculture as a calling is neglected by the majority. As Wolff observes, "agriculture has long since become from the easy self-rewarding occupation which it is understood once to have been, a business of money and enterprise, like any other business having the same tasks set to it but not the same means at its disposal wherewith to accomplish the tasks." "The healthiness, the beauties of nature, the closer ties of family coherence, the family-like relations developing among neighbours, the simplicity, the absence of temptation not only to extravagant expense but also to the moral poisoning of life" present so vividly in olden days, are now gone. Lands have become less productive as the exhausted natural resources are not replaced. The people are heavily indebted and economically depressed as the discipline over the individual in his borrowings and the thrifty habits of old have now completely disappeared. The division of holdings into very small plots, purchase of land by borrowing at a rate of interest higher than the agricultural net income, the constant borrowing for family expenses to make up the insufficiency of income, debts incurred for marriage and other ceremonies, the prior debts which the borrower is unable to pay out of his annual savings, and debts incurred for unnecessary litigations go to increase the unproductive debt.

Causes for the Decay.

The causes for this state of things have been varied. The heavy assessment and the levy of the same in money and not in kind has impoverished the ryot. The large and heavy demand for money owing to the present day rural condition of middleman trader and shopkeeper, the disruption of the joint village community life and the consequent growth of individualism, the indolent ryot with his habitual drink, the progressive decrease in the size of the holdings and various consequent unproductive debts and to crown all, frequent immigration, are the most

prominent causes for the decline. Machinery and competition have driven out of existence cottage industries. Ignorance and illiteracy make the ryot diffident in embarking on any new method which his ancestors did not pursue. Poverty makes him dread any new scheme which might lead him into unexpected risks or losses. In short, the villager is groaning under the crushing load of indebtedness and illiteracy. He is exploited commercially and starved. He is left without rural leadership and guidance.

The need for a Liberal Education.

The best remedy to cure such a disease is to give the ryot a liberal education which will enlighten his mind in the best manner possible and thereby make him self-confident and enterprising. The kind of education that is to be imparted is not the filtering of dry book lore but the production of a capacity to assimilate knowledge according to developing circumstances. To create enthusiasm for the younger folk, competition, matches, and prizes play an important part in the programme relating to rural education in America. Short lectures, moving exhibitions, and competition in the raising of crops and breeding of livestock is the order of the day in America. Rural fairs are conducted there with a view to demonstrate the latest agricultural improvements. Entertainments are given, prizes and awards are freely offered to the best competitor. The result of this kind of activity is seen in the establishment of a closer contact between the father and the son, an awakening of a new spirit in them. More boys stay on home farms and parents learn to appreciate their children and give them fair play. The financing of members by the bank teaches intelligent borrowing and good business methods. These contests open the minds, broaden the vision and awaken the spirit of the members. It leads the community to take a very keen interest in such life and is a character building work. A love for husbandry is impregnated in them. Breeds of live stock and varieties of plants cultivated have improved. Examples of their children force on the parents an uneffacable impression which otherwise they refuse to absorb. The younger folk thus become fit and proper cultivators of the soil and a love for the countryside and its occupations is generated in them.

Improved Agricultural Methods.

What India wants in the matter of agricultural education is to educate the ryots in the improved methods af agriculture suggested by the Agricultural Department through the help of model farms to be opened either by the government or by rich mirasdars at least in 2 or 3 places in each Taluk so that we might prove to each individual ryot what is amiss with his own farm, how errors may be corrected, how he might make more money out of his farm, feed his cattle at a smaller cost, make his lands yield more crops by using such seeds or growing such crops in the place of those which he does not grow, how by more scientific treatment he might increase the quantity and the quality of the yield. We require agricultural expert advice and one demonstrator at least should be attached to each of the farms. In the running of such farms there is vast and wide scope for the services of the citizens of this country.

The village—a self-sufficient unit.

The Indian ryot is unable to undertake the aforesaid activities as his expenditure exceeds his income and as he is already heavily indebted. The cure for this lies in securing to him cheap long term credit through the establishment of Land Mortgage Banks which will enable him to introduce land improvements and relieve himself of prior indebtedness. Rural co-operative societies must afford to the ryot credit facilities for the removal of all his debts within a reasonable period, finance him for carrying on current expenses for agricultural industries and domestic farms during the season of cultivation, supply agricultural needs by securing better seeds, manures and implements in bulk and distributing them with the least margin of profit, arrange for the disposal of his produce at the best market and at a suitable opportunity so as to secure for him the largest amount of profit, supplement his industry by introducing suitable cottage industries like ginning, spinning, weaving, cattle and sheep rearing, vegetable gardening, carting, oil-pressing, flour-milling, sugarcane-pressing, mat-making, coir industry, poultry and dairy farming, acquaint people with trade operations and market conditions, secure improved sanitation and protection from epidemics and arrange for the joint purchase of all their domestic requirements wholesale thus encouraging thrift, economy and self-help. All this can be done only by securing better personnel in the management of rural societies and in securing effective and expert supervision over its activities. Instead of the old Panchayat, we must have a panchayat suited to modern conditions, a bank to supply the necessary funds, a shopkeeper to supply all the commodities, and a trader to secure a profitable sale of their produce in the best markets.

Scope for cure of social ills.

There is also scope for work in the social field. The village labourer has been very conspicuous in his habit of drink, spending a major portion of the fruits of his labour on himself leaving the other members uncared for. We see often the ryots tying their bulls in front of their houses and driving them into the village tanks for purposes of bathing. The surroundings are thereby made insanitary, the tanks

and wells are spoiled, thus giving rise to the cropping up of various diseases. Propaganda in hygiene and sanitation, and provision for speedy medical relief are the chief planks of rural social service.

Items of economic work.

Hence the work of the citizen lies in introducing better farming, better business and better living. To sum up, the improvement on the farm and the garden, the introduction of suitable industries, and the securing of greater prices for their produce, are the prominent items in the business programme. On the social side, children should be taught how to perform their household duties with their own hands. They must be given broad and liberal education by means of practical lessons in schools and by circulating libraries. In the aspect of better living, improved ideas of hygiene and sanitation, improvement of the morals, and settling of disputes through arbitration are various items of reconstruction. By following the outdoor occupations above suggested, a better physique and a healthier and stronger nation would be the outcome.

THE MANURIAL PROBLEM—ITS SOLUTION—HOW TO MINIMISE THE EXPORT OF BONES. *

By Mr. J. Viswanathan.

It has been proved by the Research Institute at the Coimbatore Agricultural College that fields manured with organic manures get fertilised slowly and retain their fertility for two or three crops because of the organic manures dissolving and fertilizing them slowly and gradually unlike the artificial or inorganic manures which will produce little effect on soils deficient in humus and which are quickly acting manures, leaving the land comparatively poor after a crop has been raised by the application of one of them.

Organic or natural manures will tend to improve the fertility of the soil whether it contains humus or not, and they do more permanent good to the soil, as they contain all the ingredients the plant requires and they have no special power of dissolving the soil and rendering its constituents too readily available as plant food. Experiments have shown that the seed obtained from the lands manured with farmyard

* A paper read at the Agricultural Conference held under the Presidency of Rudolph D. Anstead, Director of Agriculture, Madras, on the 28th October 1927 at Nidamangalam under the auspices of the Tanjore District Co-operative Manure Society Ltd., Nidamangalam.

manure and other organic manures gives a very much better crop than that from the lands manured with artificials, the seed losing its power of producing good plants and a good crop unless it is produced on soil manured with organic manures.

The Director of Agriculture in his valuable article, "The Manurial Problem in South India", says that from experiments with the grain produced from the plots at Coimbatore, it has been discovered that while the grain from the plot manured with farmyard manure was quite a good normal food, the grain from the plot manured with artificials only lacked growth and development vitamines and animals fed with it failed to develop and soon died, and that in this respect, it is as bad as, and in some cases even worse than, the grain produced from the plot which received no manure at all. So we see that if we replace our organic manure by artificials, we shall be not only reducing the inherent cropping power of our seed so that our future crops will get worse and worse, but also we shall be producing a food for our people lacking in development vitamines, with a deleterious effect upon future generations of the race.

The enormous significance of these researches cannot be over-emphasized. It has been proved that, given plenty of organic manure, the new strains of paddy which are being evolved by the Paddy Speciallist are capable of yielding 5,000 lbs. of grain to the acre, which is the average obtained in Italy and Spain, while 7,000 lbs have been actually obtained. It is therefore imperative that we must have recourse to more and more of organic manures than artificials. The principal organic phosphatic manures are crushed bones and bonemeal. Oil cakes come next.

But there is a steady drain of indigenous forms of organic and phosphatic manures from the country in thousands of tons per annum. Madras exported 7,492 tons of bones and 39,569 tons of oil cakes in 1925 and in 1924, 9,603 tons of bones and 30,048 tons of oil cakes. What an amount of drain of the potential wealth of the country! The Government is averse to adopt protective measures because of the immense weight of opposition from vested interests.

Cattle manure is the best, but however carefully we improve its quality and preserve it, we can never get enough of it. Meanwhile we are exporting the materials which might take its place. In the absence of political freedom then, what are we to do?

The question of utilization of bonemeal in the country as a manure for local crops is a most difficult subject because one goes round a

vicious circle in this matter. There is a big export demand from Ceylon and European countries which are able to pay higher prices for this manure than the Indian ryots, because they use this to raise crops of a much higher market value than our paddy, such as rubber.

Our President in his article has suggested synthetic farmyard manure and activated sludge. These are still in the experimental stage, at least in this country, and the method of activated sludge cannot be taken advantage of so easily as the former by us, rural people.

Co-operation, then, must come to our aid as in Germany, Denmark and Ireland where agricultural co-operation is in an advanced stage. Great men have come to the conclusion that if India is to improve economically, we must begin our reconstruction work in the villages. This is no doubt true in the case of our organic manures also, especially in the case of bones. Foreign firms are now exploiting the bones of our villages for the export trade and these are engaging middlemen to collect these bones. The actual collection of these bones is done by the Adi-Dravida people who get only a comparatively low value for the bones they supply. It is the middlemen who knock off the major portion of the profits. Any movement that will cut out the middlemen is in the right direction and we can think of no other better agency than co-operation in this direction which could produce the desired effect.

The Tanjore District Co-operative Manure Society is a typical example. During the nine years ending with 30th June 1927, the society has purchased 89 tons, 13 cwts and 43 lbs of bones at a cost of Rs. 3,146-4-0 or roughly an average of 10 tons per annum, at an average cost of Rs. 35 per ton. According to the latest Indian Trade Journal, 29,557 tons of bonemeal have been exported from all the ports of India during the period January to August of 1927. This I give you for information to ponder over the extent of India's wealth being drained away year after year, in spite of the proverbial poverty of the Indian ryot and in the light of experiments that have proved the absolute necessity of our using organic manures and the enormous significance of substituting artificials to the detriment of future cropping power of our seeds, as well as the serious effect upon future generations of the race regarding the food lacking in development vitamines.

I shall restrict myself to our District. Annually about 500 tons of bones are exported from the Tanjore District. Out of this, the manure society, which is the only one of its kind in this district purchasing bones and converting them into bonemeal for the use of its members, is able to restrict the export of 10 tons of bones or 2 per cent of the total export from this district. Let those who are interested in the improvement of the Indian ryot come forward and help in this piece of Rural Reconstruction work. Let societies of this type be multiplied throughout the district and let them buy the bones directly from the Adi-Dravidas without the intervention of the middleman, within a radius of about 10 miles from each society centre, and use them for their members' lands. Then we shall be able not only to restrict the export of bones tangibly, not only solve our manurial problem to a certain extent, a much greater extent than heretofore, but also be providing our Adi-Dravidas with work in the off-season and paying well for their work as we shall be able, by encouraging them to collect and buying direct from them, to pay a better price than the middlemen.

A welcome feature of the activity of the manure society is that a few individual and society members began collecting bones and offered them to the society for disintegration and return of bonemeal for use on their own holdings. Messrs. P. Chinnayya Odayar of Perumpanniyur, S. Parameswara Aiyar of Ganapathiagraharam, Dewan Bahadur V. K. Ramanujachariar of Kumbakonam, and the Tirukkannapuram and Adhamangalam Co-operative Societies are among those who showed their interest in this direction. Let me give you the latest example, illustrating my point with facts and figures. Mr. R. R. Krishnaswamy Aiyar of Chitrayur village, Tirunattiathangudi (S.I.R.,) sent 518·5 lbs of bones in the first week of this month and Rs. 6-8-0 towards hire charges. The hire for 518·5 lbs comes to Rs. 6-12-6. He had to bear a sum of Rs. 1-11-6 towards incidental charges, such as cartage on the bones that he sent, from the Nidamangalam railway station to the office store, and cartage on the bonemeal that was returned to him, etc. etc. The society thus had a claim on him for Rs. 8-8-0 or Rs. 2 extra, over and above what he actually sent, viz., Rs. 6-8-0. The society gives in return for 100 lbs of bones and 85 lbs of bonemeal which is the actual product, after disintegration in the mill; thus deducting bonemeal to the value of Rs. 2, he has supplied with 3 cwts and 57¾ lbs. of bonemeal worth Rs. 16-11-2 at Rs. 95 per ton, which is the present selling price of bonemeal by the society. The cost of bones purchased from the member thus works out to Rs. 11-14-8. (Rs. 16-11-2 + 1-11-6 — 6-8-0 = 11-14-8) whereas the said member incurred only about Rs. 7 for the bones inclusive of cartage to his nearest railway station, freight paid to the railway for the bones, and other incidental charges such as postage, money order commission, etc. This practically proves how the cost of bonemeal can be essentially reduced if our Mirasdars would collect the bones in their respective villages instead of their allowing to be sold by the Adi-Dravidas to middlemen engaged by foreigners for their export trade, enabling them to knock away the major portion of the profit and allowing the foreigners to exploit the indigenous resources of our country. The manure bill is tangibly reduced because the middlemen's profit is now shared by either the societies and the Adi-Dravidas or the Mirasdars and the Adi-Dravidas who collect the bones in their respective villages.

As a result of repeated experiments carried out on their agricultural stations, the Agricultural Department have been able to show that, when used in conjunction with green leaf, an application of 300 lbs of bonemeal per acre results in an average increase of 289 lbs of paddy while an application of 500 lbs of bonemeal per acre results in an average increase of 455 lbs of paddy per acre. Now with bonomeal at Rs. 95 per acre and the price of paddy reasonably good, this is a paying proposition for the ryot.

	Value of increased crop at 16·2 lbs per rupee.			Cost of bonemeal at Rs. 95 per ton.			Profit.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
At 300 lbs per acre ...	17	13	0	12	11	7	5	1	5
At 500 „ „ ...	28	0	0	21	3	3	6	12	9

	Value of increased crop at 16·2 lbs per rupee.			Cost of bonemeal at Rs. 70 per ton.			Profit.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P,
At 300 lbs per acre ...	17	13	0	9	6	0	8	7	0
At 500 „ „ ...	28	0	0	15	10	0	12	6	0

Now it is clear that with an application of 300 lbs of bonemeal per acre the profit ranges from Rs. 5-1-5 to Rs. 8-7-0 according as the price is Rs. 95 or Rs. 70 per ton and with an application of 500 lbs of bonemeal the profit ranges from Rs. 6-12-9 to Rs. 12-6-0 according as the price is Rs. 95 or 70 per ton. According to my plan of the collection of bones in every village by societies organised for this purpose or by individual Mirasdars where societies do not exist, the price of bonemeal can be reduced to Rs. 70 per ton and the ryot enabled to reap the higher profit by the application of this manure.

May I hope that the Tanjore Mirasdars and farmers will without further delay realize fully the high manurial value of bones badly necessary for their delta fields and see that not even a bit of bone is sold in their respective villages but collected and purchased by them or by societies formed out of them, to be newly organised as soon as possible, and converted into bonemeal for the use of their own holdings, It is not possible to invest at the very outset the ryots' money on machinery to grind these bones. There are at present a number of oil engines and rice mills which have no work, because of the heavy numbers installed without regard to the actual needs of the locality. Enthusiastic Mirasdars who are interested in the welfare of the country and who own such machines can be induced to instal small disintegrators to grind these bones on the hire system in the off-seasons. The manure society itself can be developed to a much greater extent; only if the members awake to the real position of affairs and continue to work wholeheartedly in the economic uplift of their country and brethren.

In conclusion, gentlemen, let it not be said of us assembled here to day, that there were talkers than doers.

AGRICULTURAL CO-OPERATION WITH SPECIAL REFERENCE TO WEST COAST.

By K. Unnikrishna Menon,

Assistant Director of Agriculture, Tellicherry.

The word 'co-operation' means working together. When it concerns agriculture as a business, it should plainly enough mean the working together of farmers. The necessity for the same arises out of the one fact that the large majority of farmers in this country manage small areas. The absence of sufficient capital to work even these small holdings places the farmer within the clutches of an usurious money or grain lender. Thus even if the crops are moderately paying, the farmer's resources remain encumbered as he cannot meet the unusually high demand on them. The pitiable condition in which the farmer is placed reaches its climax when the cultivation methods adopted, seeds used and manures applied are poor. Of these, the last item of cultivation expenses largely determines the yield. The inadequate capital which is mostly the result of want of confidence in the business invariably reduces the quantity and quality of the manure applied with the result that the yields are always poor. Under such circumstances the loans taken by him through co-operative societies to finance this unprofitable method of cultivation fail to make him richer. This again becomes aggravated by the fact that the money obtained as loans for agricultural purposes is partly wasted in other unprofitable ways. And the oft-repeated question of overdues haunt him and his society like a nightmare.

2. It is therefore high time that we should strive our best to improve the situation and as such let us examine in detail and find out whether the conditions necessary for agricultural co-operation exist in our country as it is at present and see whether we are in a position to take advantage of them and improve the welfare of the farmers.

(*a*) A knowledge of the agricultural condition of the country is the first perquisite.

(*b*) A knowledge of the needs of the farmers is highly necessary.

(*c*) The masses must have a certain amount of co-operative training.

(*d*) A knowledge of the markets is very essential.

(*a*) Segelcke, one of the pioneer workers of co-operation in Denmark, first spent a year at Rothamsted before he went straight from there to take up his work in co-operative methods of business and production which have since dominated Danish agriculture. I quote the Danes as an example as they stand poineers in agricultural co-operation in the whole world. The work so far done by the Agricultural Department has enabled us to obtain an insight into the agricultural conditions of the country with some knowledge as to the ways and means of making cultivation more profitable. In several cases we have been able to make the crops especially paddy pay more, spending less than what they ordinarily do on its cultivation. I hold back actual figures as they may become an infliction upon you and am prepared to give them to those who want them after the conference.

(*b*) The needs of the farmer, as regards capital, seed and manure etc., supply, have been studied to some extent by the workers in the fields of both co-operation and agriculture. As a result of it, we have got the co-operative bone crushing works at Nidamangalam, Manure and Implement Society at Pattambi, etc., with many seed unions in this Presidency.

(*c*) Thanks to the work so far done by the Co-operative Department and the honorary workers thereof in educating the masses in co-operative ideas, we have a very large number of co-operative credit societies working. The enthusiasm evinced by the members thereof and the large army of honorary workers in the field show that the incentive for co-operative work has come to stay. Co-operative credit work to finance an unprofitable business like the present grain-production of the West Coast, especiallyi n Malabar, must perplex the workers to some extent. Even the Danes who are the ideal co-operators have experienced failure. Failures have given us very valuable lessons to open our eyes and widen our outlook. They force us to examine the purpose for which the loans are taken and it falls to the lot of the workers to teach the farmer how he should use his capital on cultivation to make the business economical. It is here that we find the need for mass education and to combine the non-credit agricultural work with the credit movement to make them both successful. The need for more propaganda work is brought to the lime-light by a number of resolutions in the various co-operative conferences. Professor Baswani, in his inaugural address at the Co-operative Institute, Karachi, has recently urged the need for peasant schools where farming and weaving are to be taught to encourage co-operative work. These authorities evidently support my view that agricultural propaganda should remain organically connected with rural credit work in this country. On this aspect of the question, I had drawn the pointed attention of this conference in my paper on "the place of agricultural improvements in co-operation" in 1924. Later on last year Rao Sahib V. K. Menon, a reputed worker in co-operation, very ably emphasised the point by the way supporting my paper.

(*d*) Efforts have been made to study the fourth necessary condition for agricultural co-operation, viz., a knowledge of the markets, which is being acquired directly. We may have to enlist the sympathy of the bigger traders in our movement or to commence business ourselves and eliminate the unnecessary number of profit-sharing middlemen as far as possible. A few pieces of business have to be actually done through supply and sale societies before we become better fitted to do the work. We in the West Coast know very well how we could successfully carry on co-operative supply when co-operation and agriculture combined in selling chemicals for spraying against "Mahali" (arecanut disease). This has extended the activities of co-operative work and established an unquestionable faith in spraying against "Mahali" in the mind of the arecanut grower who no more fears the once dreaded "Mahali" disease.

3. Now it is left for us to consider as to how to combine these necessary elements of agriculture and co-operation at every step in one and the same movement and benefit the rural population. The idea that co-operation means only credit work must be corrected and the outlook of the village co-operator must be broadened. Sir E. G. Russell of the Rothamsted experimental station says, "Science may do much in giving new methods, but in agriculture the determining factors are human and experience shows that history alone gives the key to the human factor. If we know what many have done before given in circumstances and how they did it, we know what they can do again". Therefore comparing our present conditions with those existed in other countries before they made considerable progress in agricultural co-operation, we find that we are situated almost similar to what they were in the German district of Neuweid area before the year 1862. It has been described by A. Wuttig in the following terms—"The district is not very fertile and the inhabitants are mostly small peasant proprietors some with sufficient land to graze a single ox or cow. An owner of 10 acres is a rich man. Before the year 1862, the village of Anhausen presented a sorry aspect; rickety buildings, untidy yards, in rainy weather running with filth, never a sight of a decently piled manure heap. * * * * houses and oxen belonged with few exceptions to Jewish dealers. Agricultural implements were scanty and dilapidated and badly worked fields brought in poor returns. The villagers had lost confidence and hope. They were the serfs of dealers and usurers." Raiffeisen's work till about 1888 revolutionised their condition and converted them into a set of happy and prosperous farmers.

4. The masses have been to a large extent taught co-operation, the application of which to agricultural production is the question on hand. Many have told me that we have to copy the Denmark methods of co-operation to advance our co-operative activity especially in agricultural co-operation. But I fear that the incentive or natural instinct for co-operative work which the Danes possess is absent anywhere else. As in other countries, we require some driving force from outside to successfully work our societies. Therefore I prefer to shape my scheme on German lines modified by the lessons of the French and Italian methods to suit our conditions. I mean to suggest Dr. Haas' model of Provincial Verbande and its affiliated societies especially as regards the relationship of the societies with the central union. The object of our unions must be identical with those detailed about the French co-operative syndicates. Probably Italian methods of working have to be adopted to allow the societies and unions to have free scope to do business according to the needs of the farmer members. In Denmark, France, Ireland and other places dairy farming, vine production, poultry farming and the like guided the movement, as these branches of agricultural work had greater facilities there. We have to adopt the Neuwied Model of activities as we are mostly grain producers and our salvation consists chiefly in improving grain production through co-operative activities with certain side lines of farming as will be detailed hereafter.

5. In the first place, we have to educate the co-operators in agricultural improvements basing their methods of cultivation on economic lines. The changes in their methods necessary for the purpose must be adopted by the members of society which must commence to work on the lines of the German "Kasinos" societies with hardly any credit work to do to begin with. However we have even at the outset to shape them to serve as supply societies for the affiliated farmers which the "Kasinos" in later days became. Probably we would also require them to be affiliated to a central supply society. Thus we may be able to put together small farmers into bigger units as societies such that they derive all the advantages of the big farmer in studying new agricultural methods and procuring their supplies etc. Such societies remain related to one another through the union. The present credit societies and unions may function as such. Some of the present societies good enough for the purpose may be chosen to work like this or new societies may be formed with this object in view apart from credit work. The membership of the new society should be open to all farmers who undertake to manure their lands properly, to use selected seeds as much as possible and to dispose off their produce through the society or at its instance. We have to remember the one important fact that the propagandists and the active officebearers who were very successful in credit work may not be successful in this line of activity. Therefore as in the Danish country, members of the one variety of society like the credit society may be allowed to become members of these agricultural societies or workers in the agricultural non-credit branch of a society must be chosen separately. As this new work involves a good deal of trouble and some expense, small monthly subscriptions may have to be raised to meet the incidental charges of a recurring nature and to pay the workers, unless it be possible for the Government to depute officers to work them. Full time paid workers are necessary to run this pioneer sort of business. The workers must all be made responsible to a supervising Government control. Because what Raifeisen did in the Rhine colony has to be done by the Government in this country.

6. Probably the best place to start such a movement will be from one of the well-chosen centres with a Middle School in a purely rural area where credit work through co-operative means has made sufficient headway. The actual rural propagandist must be in charge of the School which can be imparting an ideal rural education with sufficient agricultural bias. It may also be continuation classes. The guardians of the pupils may off and on be invited to take interest in the rural work; even night schools way be started for adults of the labouring

classes, thus adopting every means possible to concentrate work and make it effective.

7. These agricultural societies have also to function as sale societies in the disposal of the produce to the best advantage of the producer. The larger business that we have will be in grains. Grain societies requiring to store grains till the market becomes favourable find it necessary to have store houses involving considerable capital. When this is wanting, the small granary of the producer itself may serve as the store house of the society, and on the security of the grains so stored money advances will have to be made to the producer to keep him on till his grains are sold. Such advances, with any previous loans standing in his name, will have to be recouped when the grains are sold. Some penalty has to be imposed on the farmer who betrays the confidence placed in him. These societies have also to find more paying crops to grow and other productive lines of work like poultry, sheep and cattle rearing, dairying, flower and vegetable cultivation and such side lines of farming as are suitable to the locality and to the members thereof. Mention has already been made of this in my paper on 'side lines of farming' read in this hall in 1923. This will enable the farmer to find paying occupations during the slack season and also to find work for the ladies of his household.

8. The aim of the movement must be to attach the rural population to their homes and to the soil by using every means in their power to restore the dignity of agriculture and make it more remunerative besides introducing profitable side lines of farming. Such an association of farmers guided by a rural worker may in course of time be able to establish among the members all kinds of co-operative societies and even provident societies and also societies to improve the moral, intellectual and professional side of their lives and improve the material condition. One of the chief aspects of the supply work of such societies is to produce and distribute good seed to the members. A second item of work will be to prevent waste of the available manurial resources especially by adopting better methods of preserving cattle manure and supplement the supply of manure from outside sources or by production themselves. A third sphere of activity will be the introduction of improved implements.

9. I fear that I have been going too much into the details of the work of an ideal co-operative society. Further details can be found out when such societies are organised and worked. I do not at all suppose that it is a simple matter to start and work such societies, nor do I hold that useful agricultural co-operative societies to suit our

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needs cannot take any other form. What I have attempted to do in this paper is but to place before you some of my views on a subject of great importance to the farmers and of serious interest to both co-operators and agricultural propagandists. I wish that the discussion which my paper may arouse would enable us to throw more light on the subject bringing out more useful and practical suggestions for the prosperity of the country.

CORRESPONDENCE.

Panchayatdars' Training Class in the Vizagapatam District.

The present mode of Training Classes held for the Panchayatdars seem to be fruitless as every year the Panchayatdars of societies will be changing and it cannot be expected that the succeeding Panchayatdars would be aware of the instructions given in training classes. It is proposed to have centres for a Taluk and give training to the Panchayatdars. It cannot be deemed that all the Panchayatdars would attend at the centres on account of certain domestic or some other objections. Thus the training will not be useful to all. The training given to them is only a limited period of three days during which time it is not possible to give complete instructions including the preparation of the three statements. The training given to the Panchayatdars will be done by a group of persons, which group is no use and is only expensive.

Hence it seems to be better if any individual or two persons may be empowered to hold general body meetings at nights, as it is preferable in rural societies, or the Panchayatdars at least may be given proper instructions in every village by going there. To undertake this business, it is better if propagandists arrange, or any director or directors of unions given powers, to hold training classes in societies and extract work from directors or propagandists by means of special reports and diaries; and it is advisable to allot the subsidy either to the propagandists or the unions towards the special item of "giving training classes to societies." Thus the training will be fruitful and every individual of a society will grasp the main points and thus improve the work and condition of societies.

GAVARA GAVURU NAIDU GARU,
Secretary, Local Co-operative Union, Palakonda.

EXTRACTS FROM FOREIGN PERIODICALS.

(i) Agricultural farmhouses in America.

In one of the bulletins of the Agricultural Commission of the United States of America recently to hand, there was a picture of houses for farmers with modern equipments. Any zemindar or petty Rajah of our country would be proud to own a house like that and many of the Maharajas even do not command the convenience specified there.

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(ii) Advertisement

Advertisement is looked upon as an essential part of the business of the present day. The fruit growers of California are best masters in the art. Over and above usual advertisement in magazines and periodicals, they have resolved to start a street car campaign wherein handbills containing the chief uses of the fruits they grow would be distributed in millions. It is of interest to note that every one of the oranges they sell (they sold two billions or 200 crores of oranges during the last season) was stamped with the trademark of the association.

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(iii) Organisation and Expansion

The Pure Milk Association of Chicago which already supplies a large percentage of the fluid milk and cream used in that big city is planning to make itself more useful. They want to bring about a healthy co-operation between dairymen, dealers and consumers. The leaders of dairy industry who have national reputation are expected to come and co-operate with the association in its attempt to enlarge its members and widen its scope of activity.

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(iv) Spain has some unusual co-operatives.

A study of the co-operative movement in Spain, made by the French economist and translated into English, shows that Spain's most original contribution to the co-operative movement is found in the colonization societies and the organizations formed by fishermen. A law enacted in 1907 provides for allotting communanl land to poor peasants of worthy character. The colonists are required to form co-operative societies to purchase the necessary farm and household supplies, to market the products of the colony, and to provide for credit, savings, mutual aid, and cultural development. There are now some 20 of these colonies with about 1,200 colonists, holding about 26,000 acres of land. The State's part in the work takes the form of construction of roads and sewers, and various community services.

The Fishermen's co-operative associations have made remarkable progress. They are found all along the seacoast and number from 140 to 150 with about 35,000 members. Eighty of the associations own their own boats. The membership includes all the workers on land or sea, not only the fishermen, but also the boat builders, calkers, painters, etc. The primary object is to sell the fish direct to the consumers. All earnings of the associations are used for social purposes, first of all to provide schools for their children. More than 100 schools have been built, at which 8,650 children are receiving a general education and also instruction in the principles and practice of co-operation. The children form their own societies through which they purchase books and other school supplies, plan and carry out excursions, and other activities.

Sixty-six of the fishermen's societies have established insurance against sickness and old age; 26 give loans to their members; 6 have undertaken to build homes for their workers; and 36 have established co-operative stores.

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(v) Teaching of Co-operation in Continental Europe.

"The Teaching of Co-operation in Germany and other Countries" is summarized in a recent number of 'The Co-operative Review', Manchester, England. The writer states that co-operative teaching began in the high schools founded by private initiative and supported by commerce and industry in the following cities: Petersburg, 1910; Moscow, 1912; Berlin, 1913; and Milan, 1918. In Germany, it is still the commercial high schools which deal with the subject most thoroughly. Soon after the outbreak of the World War, regular and systematic instruction in co-operation was begun in a high school in Berlin and at the University of Halle, when a seminary was also organized. At the High School of Commerce at Berlin, lectures on various phases of co-operation were given during 1925-26 by six different teachers or leaders in the movement. Two lectures were also given at the University of Berlin, and at the Agricultural College, one professor gave eight hours every week to co-operation.

At the Univesity of Cologne, four professors lectured upon the subject from various angles, and lectures were also given in a number of other universities and high schools. During the summer term lectures were given at six German Universities.

In Russia, lectures on co-operation were being given in the universities and the agricultural and commercial colleges before the war. At the present time, a number of special co-operative training schools are being maintained by the Government and the co-operative federations.

A chair for Co-operation was founded in the University of Paris in 1921, and three lectures a week are given by a distinguished economist. Two other courses are given in Paris colleges, and six universities of France find a place for lectures on co-operation in their curriculum.

Italy has a special co-operative school at Rome. Co-operation is also taught in a commercial high school in Milan.

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(vi) The New President of the International Co-operative Alliance.

At the last meeting of the International Congress held at Stockholm, Mr. G. J. D. C. Geodhart resigned the presidentship of the Alliance which has been now conferred upon Mr. Vaine Tanner who is an ardent co-operator of Finland and its Minister. Extracts from his message on his assuming charge of his new office are given below:—

"Personally, I have a strong belief in the great feature of Co-operation. Basing itself upon the Rochdale principles, its victorious progress has so far been unequalled. Especially during this century, the Co-operative Movement has in all countries gained a still greater influence and become a recognised Movement. It has become a notable economic factor which can no longer be overlooked. And yet, its development is only at the beginning. I feel convinced that, in an ever-increasing degree, it will succeed in driving private trade for private profit out of the field, replacing it with a common economy for the benefit of all its members.

At the head of such a powerful International Movement, the I.C.A. of course, occupies a very important position at the same time as it has a big and important work to carry out. It knows no frontiers, either geographical, racial, or those of language.

In recent years, there has been an increasing tendency towards internationalism in all the main economic activities of the world. On the other hand, there is a sense in which the nations are tending to become more isolated and seem to interpret the great principle of self-determination as an incentive to become self-contained. They have to learn that the great truth "that no man liveth to himself" is as true of nations as of individuals.

In these two directions, there is ample opportunity for the advancement of our great principles of Co-operation, first to see that the right direction is given to international commerce and that competition is supplanted by co-operation. To do this, we must increase our hold upon the trade and industry of the world. Secondly, to combat any ideas of narrow nationalism with the great ideals of fraternity and interdependence. These are amongst the tasks to which our Alliance should set its utmost efforts.

(vii) Travelling Co-operative Students.

At the end of July, 30 young people, students from different French colleges, met at Nancy to visit the co-operative establishments. These students had won prizes in a competition, which the National Federation of Consumers' Co-operative Societies organise annually, on a co-operative subject. The writers of the best essays receive a scholarship with which they may travel in order to study Co-operation on the spot. The money for these Scholarships is obtained by voluntary contributions from the French Co-operative Societies.

These students, who came from all parts of France, visited the Co-operative Society at Thaon, and also the large bleaching establishment there. Thence they went to Basle Co-operative Society, the boot and shoe factory belonging to the Swiss Union of Consumers' Co-operative Societies, and the Co-operative Colony Freidorf, near Basle. These young people made a very good impression and showed keen interest in everything. On their return, each of them has to present a report, which may be published, on what they have seen.

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(viii) A Co-operative Hotel for London.

The Hotel Co-operative Society, Ltd., has launched a scheme for the erection of a Hotel, Club and Restaurant on a convenient site at Artillery Row, Victoria Street, London S.W., five minutes from Victoria Station and the Houses of Parliament. The Hotel and its adjuncts will satisfy a need which has long been felt in the Co-operative Movement. It is intended to equip the Hotel with about 100 bedrooms. The best possible service will be supplied at a reasonable tariff, whilst every effort will be made to secure the best labour conditions for the staff employed. The scheme is already receiving the financial support of many Co-operative Societies, including several of the largest London and Provincial ones. Seventy thousand pounds in £1 shares are to be raised, bearing interest at the rate of 5 per cent.

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(ix) Co-operation and Education in Great Britain.

Co-operative Wholesale Societies' Scheme.

The Committee of the English Co-operative Wholesale Society recently decided to adopt a scheme outlined below, for the 1927-28 session, to encourage the attendance of employees at evening classes.

The society will pay up to, but not more than £1, towards the fees of each employee attending evening classes organised by the Co-operative Union, Municipal Authorities, Local Councils, the Institute of

Bankers, the Faculty of Insurance, and similar organisations which may be approved by the Committee, provided that the conditions enumerated hereunder respecting attendance, homework and progress are observed :

Attendance :—80 per cent. of possible attendances must be made.

Homework :—75 per cent. of the homework, where applicable, must be completed.

Progress :—Progress as determined by examination results must be satisfactory.

Arrangements are now being made to pay the fees of employees who attended evening classes during the last session (1926-27), and who complied with the foregoing conditions.

Facilities are given by the Committee for employees up to 18 years of age to attend the day continuation school on one-half or one full day each week, as convenient. There are approximately one hundred and eightyfive employees taking advantage of this facility.

The Committee also offers forty bursaries, each of the value of £5, to selected employees desirous of obtaining higher education, who are recommended by their respective managers and the head of the works, department or office concerned.

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(x) Capitalists learn a lesson from Co-operation.

The general tendency among the retail traders in Great Britain seems to be to combine themselves into bigger organisations. These trusts and combines are attempting to learn some lesson from the Co-operative Movement. Imitation is the best form of flattery. And these combines imitated us by giving dividends to their approved customers on purchases made. That is one of the fundamental principles of Rochdale pioneers as adopted by them. But even under the best of circumstances, these capitalist Combines can never give to consumers what co-operation can give them.

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(xi) Great Britain—Co-operative Insurance Society.

The 'Co-operative Insurance Society Limited' was founded in 1867 by the two co-operative wholesale societies of Great Britain. Its principal business is life insurance as will be seen from the following figures. The premium income in 1926 amounted to £3,218,723, of which £2,360,146 was for life insurance and £193,047 for fire insurance. The claims paid by the society in the same year amounted to £1,337,401, of which £911,963 was for life insurance and £59,636, for fire insurance.

NOTES AND NEWS.

Our apology. We offer our apologies to our Readers for the great delay in the publication of the Bulletin. We hope that hereafter there will be no such delay.

The Committee of Enquiry. The Committee which has been appointed to enquire into the condition of the Co-operative Movement has almost finished its tour. The members of the Committee had opportunities of coming into contact with the leaders of the Co-operative Movement in the various districts of the Presidency and also to know their views on the present condition and their plans of future improvement. The mass of evidence gathered—oral and written—will have to be sifted and the public opinion thus arrived at to be assessed at its true worth.

It is a truism in Democracy that truth does not always lie with the majority opinion and that is why in recent years, various attempts have been made to protect the interests of the minorities. We would be insulting the intelligence of the members of the Committee if we take for granted that they will endorse a view simply because it happens to be the majority view. But we are within our limits when we respectfully suggest that this is a possible danger to be guarded against.

Of the various questions about which there was a difference of opinion, the most important one was as to who should undertake to supplement, strengthen and control supervision, whether the District Bank or the District Federation. The case for the District Bank was most ably presented by M. R. Ry. Rao Sahib T. Srinivasa Rao Avl., in his evidence. We hope to be able to publish portions of it in the coming numbers of the Bulletin, and we invite those who hold the opposite view to present their case as Mr. Srinivasa Rao has done and we may assure all Co-operators that the pages of the Bulletin would always be available for any impartial discussion of leading questions like this.

We wish however to express our dissatisfaction that the Department has definitely taken sides in this matter, which was indicated by the Registrar's evidence wherein he condemned the District Bank's taking any part in Supervision as a mischievous tendency.

We reserve our opinion on this highly controversial matter until the Federationists have presented their case. We hope that, in this as

in many other matters, the famous saying of our old friend, Sir Roger De Coverley, that much may be said on both sides, will be found to contain the truth of the matter.

It is a pity that the Committee did not put in any specific question upon the present constitution of the P. C. U. and invite suggestions for its improvement. However a few Co-operators have gone out of their way and included in their replies their views on this question. If the recommendations of the Committee are to result in improved co-operative legislation, it will be a pity if the P.C.U. is not given statutory recognition. We have merely to turn to our sister Presidency of Bombay to see what they have done for the corresponding Institute.

The Training Class. The Advanced Training Classes conducted by the P. C. U. came to a close on the 7th instant and a social organised by the students marked its termination. We are glad to note that the need for instruction has been recognised in Districts as well and the Districts of Tanjore and Coimbatore have taken up the training of Supervisors. In this unfortunate land of ours where only a fraction of the people is literate, we cannot have too much of educational propaganda. We have not only to train people to take up responsible positions like managers of District and Urban Banks and on a smaller scale the Supervisors of Unions but every Panchayatdar of a rural society, nay every member of the same, has to be educated in the fundamentals of co-operation. This can be done only by District Co-operative organisations taking up the work and carrying the instruction to the villager instead of expecting him to come to us either at the District headquarters or in the Provincial Capital in search of light and knowledge.

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Liquidation of Societies. We are glad to learn that vigorous steps are being taken by the Department to prune away bad societies and thus bring about the much desired rectification and consolidation. But in some cases we are sorry to hear the pruning knife is applied too deep and too indiscriminately. It has been a well-established practice that wherever a society has become moribund for the Department and the supervising union to try to revive it by the change of panchayat and by the admission of new members and by such various ways of reconstruction. This wholesome practice is now set aside in the new zeal for reform and we have heard of cases where societies are ordered to be liquidated simply because they are in a moribund condition without taking these well-known preliminary steps. The unions complain that they have not been consulted. And the financing banks are willing to give them a second chance. Under such favourable conditions for revival, it is far more advisable to resuscitate the societies than liquidate them and end them altogether. We hope the authorities concerned will bear in mind this aspect of the matter.

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A Building for the P. C. U.

Some time back when our sister province of Bombay was able to erect the famous temple of Co-operation as it has been appropriately called, namely, Sir Vittaldas Thackersay Memorial Buildings, which is able now to house most of the important co-operative institutions of the City of Bombay, we expressed a hope that ere long Madras will have an opportunity of owning a decent co-operative building of its own. We are sorry this dream of ours yet remains unrealised. The need for such a building has been long felt; more so in recent years when the Provincial Co-operative Union has been conducting a training class' We have invariably to seek the help of others in the matter of accommodating these classes. There is no central library where the enthusiastic student of co-operation may derive further inspiration. A large pile of buildings capable of accommodating the Madras Central Urban Bank, the Christian Central Bank, Provincial Co-operative Union, and the various other co-operative institutions in the city with a lecture hall, which can be utilised for holding socials and a well equipped library would considerably advance the cause of co-operation in the province. We understand that the M.C.U.B. is willing to invest as much as 3 lakhs of rupees in the construction of such a building and that they have applied to the Military authorities to assign them a portion of the land opposite the Law College in the Esplanade. We hope that this request of theirs would soon be granted. Co-operation has as much right to favourable consideration at the hands of Military authorities as the Telephone Company.

We are also informed that some money was collected to commemorate the services to Co-operation of the late Mr. Hemingway and this fund would serve admirably well as a nucleus for the formation of a co-operative library. A grand building situated in a central locality, well-equipped with all available co-operative literature, would bring us nearer the ideal of Plunkett House of Dublin. We are quite sure that the Government would extend their fullest sympathy and support if the non-officials of the Province make up their mind and work earnstly for the realisation of the ideal.