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EACH FOR ALL, AND ALL FOR EACH

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Editorial Notes.

A Notable Utterance:

The speech delivered by Mr. S. V. Ramamurthi, C.I.E., I.C.S., on the occasion of the unveiling of the portrait of the late Mr. V. Ramadas Pantulu at the Central Land Mortgage Bank published in our last issue is an outstanding contribution to the philosophy of co-operation. While paying his tribute to the memory of Mr. Ramadas Pantulu, Mr. Ramamurthi stressed the fact that co-operation is neither individual right nor social duty but a synthesis of both, which is a modern form for the ancient concept of *Dharmu*. He opined co-operation presents an ideology true to India's own genius. The actual words used bear repetition;

"Co-operation needs two to co-operate. Yet the two operate as if they were one. Co-operation has thus a dual nature—diversity and unity. This duality is at the very basis of human life. Both in body and in mind, men have two sides. The duality of human nature finds its reconciliation in co-operation—of man with man, of all men with each man. Like co-operation democracy too has a dual nature. Democracy is not the freedom of each man but even more, it is the reconciliation of the freedom of each with the freedom of all. Each and all are two sides of the same concept. In the union of co-operation and democracy, we shall perhaps find an ideology which suits

the Indian genius more than individualism or communism. India needs a modern form for its ancient concept of *Dharma* which is neither individual right nor social duty but a synthesis of both. In the progress of co-operation and democracy in India, I see the reincarnation of our Indian concept in a modern European form. It seems to me that Mr. Ramadas has won his place as a great leader because he was a pioneer of this reincarnation."

No greater tribute could have been paid to the memory of the veteran co-operator whose death has created a void too difficult to fill. We would also implore our readers to ponder deeply over these wise words as they are sure to infuse in us faith in the ideals for which the Movement stands. While material gains accrued must provide natural attraction to co-operators, the ultimate values of life cannot altogether be neglected. Really co-operation is a way of life eminently suited to the genius of our people. If a solitary raven croaks here and there, we should not pay heed to it but continue to spread the gospel of co-operation undeterred by set-backs, considering them more as stepping-stones to success.

The T. U. C. S.

This year's celebration of the anniversary of the Triplicane Urban Co-operative Society is of more than usual interest. It marks another step forward in the life of the great institution which the Rochdale Pioneers of Madras brought into existence forty-one years ago. To call it still a credit society is a misnomer. Nor its constitution with its numerous committees involving cumbersome procedure is in keeping with the spirit of the times. The sooner it is mended the better it will be for efficient management especially as its operations have grown enormously and centralised administration has become out of date. The branches should really become independent units having affiliation to the Central Stores. This arrangement will in no way affect the usefulness of the Society. On the other hand, we have every reason to believe the change will greatly strengthen the Central Stores. As in the case of other institutions, the administration should vest in a small Executive Committee elected from among the members of the Board which should meet frequently. Management by an unwieldy Board which cannot be expected to take quick decisions is an anachronism and should be done away with.

The occasion was naturally availed of to make certain requests to Government through Sir Norman Strathie who presided on the

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occasion which if granted would increase its usefulness. We earnestly endorse these requests especially that which relates to the sharing of profits accrued as a result of the working of the emergency scheme. Sir Norman was good enough to pay a handsome tribute to the T.U.C.S. for its assistance during the emergency. Our readers are well aware that the part played by the T.U.C.S., during the emergency attracted the attention of Co-operators all over the world. It is but right that it should be allowed to enjoy the fruits of its labours. If Government themselves had taken up the work, they would have incurred enormous expenditure, besides perhaps incurring loss in the conduct of business. The liability due to losses which the Government had agreed to make good has been warded off and instead profits have been made though working under the various controls imposed by Government. As the profits are to be utilised in undertaking works of permanent utility, such as the construction of buildings and godowns which the institution so badly needs, it is hoped the Government will take a liberal view and allow the T.U.C.S. to enjoy the full benefits of the profits earned and thereby promote its stability and increased usefulness. On the question of loan to augment its resources to maintain the continuance of the additional number of depots started during the emergency, we would plead for its compliance as the amount represents almost wholly the value of goods in stock on the date of the withdrawal of the emergency scheme. The T.U.C.S. must be enabled to dispose them of to reimburse the amount involved. This demand too is eminently reasonable.

Role of Land Mortgage Banks :

We have more than once pleaded that it is absolutely necessary to link up the various agencies dispensing credit with the measures intended to reduce rural indebtedness. While the circumstances created by the War might have enabled the ryots to pay off their debts, especially those with large holdings, the progress of liquidation of agricultural indebtedness has not been as satisfactory as it ought to have been. This is due largely to the fact that necessary links between credit agencies and bodies set up for scaling down debts have not been created. Therefore it is with sincere gratification we notice an attempt in that direction is made in the Bombay Presidency. We are informed that at a meeting of the Bombay Rural Development Board held recently, amendments to the Bombay Agricultural Debtors' Relief Act were approved to enable debts as finally fixed by

the Debt Relief Boards to be taken over by the land mortgage banks. It was stated that the land mortgage banks were normally advancing upto 50 per cent of the value of the immoveable property. Therefore the draft amendments proposed had been worked out on the basis that the primary land mortgage banks and the Provincial Land Mortgage Bank will take over all awards where the adjusted debts is not more than 50 per cent of the value of the immoveable property of the debtor or, if more than 50 per cent of such value, it is further scaled down by agreement among the creditors to 50 per cent or less of the value of the debtor's immoveable property. It is also further proposed that the rate of interest to be awarded shall not be less than that notified by the Government, subject to a maximum of 6 per cent. We wish the Government of Madras will also consider the possibility of liquidating rural indebtedness along these lines, amending if necessary the various Debt Relief Acts. Incidentally they will be providing a useful and safe outlet for the large funds now at the disposal of the land mortgage banks. After all conditions in Madras are in no way different from those obtaining in Bombay. We commend the Bombay example for favourable consideration.

A Welcome Addition :

We extend a hearty welcome to 'Co-op.', a journal published monthly by the Co-operative League of the U.S.A. America has been the land of many useful and informative Journals and co-operation too has received adequate attention. However, the need for more journals and propaganda materials is felt in order the gains of the Movement during the War may be capitalised to build up a co-operative structure on strong and solid foundations. It is gratifying such efforts by the Co-ops. receive adequate facilities. Here in India the Government do not seem to value the importance of co-operation as they ought to and the demand for paper to print co-operative literature receives scant attention. We have ourselves been in this predicament. We had to cut down the number of pages and our importunities for exemption under the Paper Control (Economy) Order were of no avail. Nor has our request for the required quantity of paper been responded to by the Paper Controller while even journals which comparatively serve less useful purpose seem to be fortunate in securing quotas easily. Is it any wonder that Delhi is accused of inefficiency in regard to administration of Control Orders? However, this is a digression though prompted by the 'Co-op.' We wish the 'Co-op.' many years of useful service. How we wish we too are encouraged to play our part.

EDITORIAL NOTES

Post-War Planning :

The craze for post-war planning has rightly overtaken even our Movement. Every Co-operative has set up post-war planning Committees which have submitted very valuable reports for Co-ops. plan for the post-war world. This mobilisation of public opinion in favour of the Movement which has played a glorious part during the period of war is absolutely necessary especially when we notice the vested interests are busy organising themselves to smash the Co-ops. and rebuild again a system of production and distribution based on profit motive. Every Co-op. should be fully apprised of the consequences if they rest on their oars and mark time. No efforts should be spared from now to strengthen the Movement taking advantage of the favourable circumstances which now exist.

It is with great pleasure we reproduce below "suggestions for developing and expanding the co-operative movement" formulated by the post-war planning Committee of the Midland Co-operative Wholesale for local Co-ops. and commend them for adoption with such modifications as local circumstances demand.

1. Conduct a continuous campaign for new members. Co-operate with the regional organisation in carrying on educational work for members and employees of local co-ops. and for the general public. Greater emphasis to be placed on educational merchandising as well as the interpretation of co-operation.
2. Conduct a cash business in the handling of goods not requiring delivery.
3. Credit arrangements should be organised through co-operative credit institutions to enable consumers to purchase those items obtained on a time purchase method.
4. Formulate definite plans for the accumulation of capital funds for continuous expansion to meet current and post-war needs. Revolving stock funds, loan capital, credit unions, etc., should be used to insure adequate available funds.
5. Merge all co-operative activities in any natural trade area where such merger will contribute to efficiency and financial stability. Constant effort should be made to build the co-operative community both economically and socially.
6. Provide for training co-operative personnel and afford opportunities for advancement of employees—both to be done in conjunction with regional and national organisations. Provide for old age, sickness, and disability benefits.

7. Participate in all community affairs for advancing community welfare and demonstrate in a practical way the principle of co-operation.
8. Cultivate and promote the closest possible co-operation with other local co-operatives and with co-operative regional and national organisations in order to develop a broad common program which can become a major factor in local, regional and national affairs.
9. Adopt policies and prepare plans now for specific projects of expansion and growth to be undertaken as soon as conditions permit."

Famine in Vizagapatam :

Now and then accounts of existence of famine conditions in certain parts of the district of Vizagapatam have appeared in the Press. Epidemics such as Malaria also seem to be raging. The Government have been doing all they can. But there is still scope for non-official help and the Government will be too glad if it is forthcoming. From a communication received from the veteran Co-operator, Dr. Gurumurthi of Rajahmundry, who is the Director of the hospitals started by the Indian Medical Association, the need for relief appears to be urgent. Co-operators believe in "Each for all, and all for each" and they will be living up to the ideal if they lend a helping hand in the humanitarian task undertaken by a brother Co-operator. Co-ops. too can contribute their mite from their common good fund. What better cause can they find which deserves assistance? To feed the hungry, to clothe the naked and to relieve suffering caused by disease are the essential needs to which good money can be best employed. We heartily commend the appeal of Dr. Gurumurthi and request our readers, both individuals and institutions, to contribute liberally not only to save the lives of those in distress but also bring hope and cheer into lives which sadly need them. We trust our appeal will not be in vain.

Tit Bit.

London is suffering from a severe book famine. To obtain any copies of such modern writers as Hudson, Conrad, Cunninghame Graham, Edward Thomas or Hardy is a triumph.

Planning of Industries in Post-war India*

By T. SIVASANKER, I.C.S.

The subject of industrial planning in post-war India has so many ramifications that it is impossible in the compass of this short talk to deal adequately with it. Some of its aspects I shall mention but will not attempt to discuss. First of all there is the constitutional aspect, industrial development being a Provincial responsibility, while planning on an all-India basis has, of necessity, to be done by the Centre. The Indian States which enjoy sovereign rights introduce a further complication. Although the constitutional aspect should not be a serious obstacle to planning on an all-India basis yet, as Madras has discovered, decisions on matters of common economic interest are inordinately delayed because the parties concerned are not prepared to cut across political frontiers and throw overboard notions of political sovereignty for the common good. Secondly, industrial development is extricably bound up with trade controls and tariff policy, subjects sufficiently important to justify separate treatment. Thirdly, the financing of the plan which has to be worked in collaboration with private enterprise presents problems not associated with planning in respect of subjects like Agriculture, Education and Social Services, the responsibility for which devolves almost wholly on the State. Fourthly, there are the short-term problems confronting industry during the transition period from war to peace: the resettlement of personnel engaged in war industries, the conversion of factories engaged in the production of the weapons of war to meet peace-time requirements.

In India, as in many other countries, there has been no conscious attempt to direct industrial development along the lines of any considered or pre-determined programme. A notable exception in recent times is Soviet Russia. For the first time in history the function of the State as the custodian of law and order was subordinated to the broader conception that the primary duty of the State is to improve the living conditions of its peoples. The economic achievements of the Soviet Union are now a matter of history. It sets out deliberately to improve the economic condition of the masses and although men may differ as to the merits of the means adopted to achieve the end, it accomplished its task. The success of the Russian experiment has profoundly influenced world's thought and is doubtless partly responsible for the shifting of the emphasis during the present war from purely political aims to economic and social problems. This is also the background of the revival of interest in this country in industrial development which has long been recognised as a pre-condition of India's economic progress.

In the realm of industry as in many other aspects of her life India is a land of contrasts. At one end of the spectrum we find large scale

* A Radio talk at the All India Radio, Madras.

mechanised industries—not many but sufficiently representative to demonstrate India's capacity for large scale industrialisation—and at the other end primitive appliances and methods which centuries have done nothing to alter or improve. The Iron and Steel Works, Jamshedpur, and the Textile Mills of Bombay and Ahmedabad are examples of what can be achieved in the industrial field by Indian enterprise. But one swallow or even two do not make a summer. We have isolated instances of development in restricted areas in certain types of industries while what India wants is a broad-based industrial structure capable of ensuring a balanced development of her resources.

It is necessary when planning industries in the post-war era to take note of the factors which have tended to restrict industrial development in the past. The success of any plan that we may be able to evolve depends on the extent to which we can overcome these obstacles. The obstacles are three in number: (a) scarcity of fuel, (b) want of cheap electric power; and (c) inadequate knowledge of our mineral resources. Coal is a valuable source of power but the ascertained deposits of coal are concentrated in a few areas. Electric power is more than an adequate substitute for coal provided it can be produced economically. The farmers of the Bombay Plan have estimated that the total electric power supply available in India is of the order of 27 million Kilowatts of which barely half a million Kilowatts have been developed so far. Here are some revealing figures. The per capita consumption of electricity in K.W.H. in U.S.A. in 1939 was 880 units, in Soviet Russia 660 units, in the United Kingdom in 1937, 500 units in Argentina, an agricultural country like India, 176 units and in India in 1940, 7 units. The consumption of electric power is regarded—and rightly—as an index of industrial development and the figures quoted give an indication of the leeway that has still to be made up if India aspires to rank as an equal amongst the great industrial nations of the world.

The Government of Madras have recognised that the provision of cheap electric power is fundamental for the development of Industries and have assigned high priority to hydro-electric schemes in their post-war programme of industrial development. A Board has been constituted by the Central Government whose duties are to initiate, co-ordinate and put forward schemes for electric power development in consultation with the Provinces and States.

The Geological Survey of India was founded in 1851. It is no reflection on the valuable work that has been done by it to say that after nearly a century of its existence our knowledge of the mineral resources of this country is still inadequate. The fact is that the Geological Survey is quite inadequately staffed for the work waiting to be done. Furthermore the policy in the past has been to concentrate on abstract scientific research at the expense of economic surveys calculated to ascertain the nature,

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quality and quantity of the mineral deposits. Russia employed over 10,000 Geologists to investigate her vast unexplored spaces but the strength of the Geological Survey in India has never exceeded 70! A rapid expansion of the Geological Survey is a matter of vital importance if we are to make any headway in our plans to industrialise this great country.

In the planning of industries in post-war India the motto should be "first things first". As I have pointed out already, power which is the basis of industrial development, should take precedence over other industries in the initial stages of the plan. Next come the "basic" industries which produce the raw materials needed in a number of other industries. I shall refer briefly to a few of them here.

Iron is the basis of modern civilisation and it has been truly said that a country without a well-developed iron and steel industry has no industrial future. We have ample reserves of good quality iron ore in this country. But except in one or two places the development of these reserves has been handicapped by the absence of good quality coking coal. The industry has expanded under the stimulus of war and we have at present a fairly developed iron and steel industry, inadequate no doubt for a country of the size of India but yet considerable and capable of further expansion.

India did not produce any Aluminium before the war and has never produced any Magnesium. An alloy of Magnesium and Aluminium is increasingly used in many industries and is preferred in the aircraft industry as it combines lightness with high tensile strength. The process employed for the separation of the metals from the ores is electrolytic. Amongst the non-ferrous metals a high place should be accorded in the post-war period for the production of Aluminium and Magnesium. In this province we have large reserves of bauxite and magnesite, the raw materials needed for their production, existing side by side in the Salem district and the electric power needed can be made available from one of the hydro-electric projects included in our post-war programme.

Among the 'basic' chemicals sulphuric acid is by far the most important. The consumption of sulphuric acid is a measure of a country's industrial development. Sulphur is required in the manufacture of sulphuric acid but our resources of sulphur are limited. It is for Applied Research to evolve a process for the commercial production of sulphuric acid from gypsum of which large reserves are available in the country. Alkali industries rank next to sulphuric acid in importance. Caustic soda is manufactured from brine and for its production cheap electric power is necessary. There is no reason at all why with the development of hydro-electric power in the post-war period a flourishing alkali industry should not be built up in India. The utilisation of chlorine, a by-product

of the industry, presents difficulties but they do not appear to be insurmountable.

The fertiliser industry is an essential adjunct to agriculture—the most considerable industry in India—and should also be regarded as a 'basic' industry. Steps have been taken by the Government of India to establish an Ammonium Sulphate factory in Bihar but that is only a beginning.

While priority should be given to 'basic' industries it would not be wise to ignore altogether the consumption goods industries. The increase in the purchasing power brought about by the establishment of heavy industries and the introduction of improved methods of agriculture is calculated to push up prices if it does not find an outlet in the consumption of goods. There is still a big gap between consumption and production in respect of a wide range of consumer goods: textiles, chinaware, glass, paper, to name only a few. Small scale and cottage industries are particularly suitable for the production of consumer goods and should be encouraged. The capital investment needed is small while the industries provide employment for a large number of persons.

The tendency at present is for industries to be concentrated in certain restricted areas and the result is overcrowding, insanitary conditions of living and loss of efficiency. The war has shown the need for dispersal of industries. Regionalisation of industries is not only strategically expedient but is economically and socially desirable and beneficial. But it must be remembered in this connection that the location of industry is governed by such factors as the availability of raw materials, power, labour, transport and markets and that regional planning cannot afford to ignore these vital considerations.

Vested interests view with marked disapproval, any attempt on the part of the State to assume control over industries. The whole object of planning is to give 'purposive direction' to industrial development and a *laissez faire* policy is inconsistent with bold planning. Although no one has seriously suggested the nationalisation of all industries opinion is gaining ground that some measure of State control is necessary if only to check the tendency of private enterprise to use the powers of monopoly and restriction to put up prices with a view to make large profits. Control is also necessary to ensure that bogus concerns are not started and that public funds are steered in directions where they are needed most and are likely to yield the largest return. The Government of Madras have already given publicity to the policy they propose to adopt in relation to industry in a press communique which they issued some time ago. They have divided industries into the following classes:—

- (1) those wholly financed, controlled and managed by Government;

- (2) those in which Government will take a majority of the shares but will allow private management, if necessary;
- (3) important industries in which Government will take a fraction of the shares and will also have representation on the Directorate; and
- (4) important industries in which Government will give such advice and assistance as may be deemed necessary.

We have as yet no all-India plan for the development of industries in the post-war period. Provinces and States have set up their own Industries Committees to draw up plans with special reference to the industrial possibilities in their respective areas. These plans are in the process of preparation. It will be the task of the Central Government to choose the schemes prepared by the Provinces with reference to their utility and the contribution they are likely to make to the national income and integrate them into a balanced all-India plan. To this end they have appointed an Industrial Adviser. They have also constituted an Industries Committee composed of prominent industrialists and representatives of the States and Provinces to advise them on questions of policy pertaining to industrial development. The actual development work will be in charge of panels consisting of one or two industrialists who have an intimate knowledge of the particular industry. These panels, which will be assisted by experts, will work in conjunction with the Industries Committees set up in the Provinces and the recommendations of the Panels will be co-ordinated with those of the Provincial Committees before the final plan is drawn up.

It is not enough if we draw up a plan. We should have trained and competent men to execute the schemes included in the plan. There is a great dearth of trained personnel in India. To ensure that industrial development proceeds apace according to plan, the Government of India propose to send a large number of students to the United Kingdom and America for higher technical training. The importance of raising the standard of technical education in the country has been recognised as also the importance of applied research. In addition to the Council of Scientific and Industrial Research which was established in 1940, it is proposed to establish a National Physics Laboratory, a National Chemical Laboratory, a Metallurgical Laboratory and a Glass Research Laboratory.

The success of any plan of industrial development depends on two factors: a Government prepared to impose it on the people and a people ready and willing to accept the sacrifices involved in it. In the ultimate analysis a plan of industrial development is a plan of investment of capital and more capital. The State has to fall back in peace, as in war, on the savings of the people for its capital requirements; and capital on the scale required cannot be raised except by maintaining taxation at a high level and by the adoption of measures calculated to curtail consumption. Are we prepared to make the sacrifice? If we do, we will earn the gratitude of future generations; if we do not, the result will be disillusionment and bitter disappointment.

Co-operative Education.*

BY W. R. S. SATTIANATHAN, I.C.S.,

I am grateful to the President of the Hood Co-operative Institute for having given me this opportunity of addressing you. The Hood Co-operative Institute is the first institution established in this Province for the promotion of education in co-operation. It made a very successful start, which gave rise to the organisation of similar institutes in other parts of the Province like Coimbatore, Anantapur and Rajahmundry. It has also resulted in the organisation of a Central Co-operative Institute at Madras and roused a desire for a Co-operative College at Madras. I am not now going to dwell upon the question of opening a Co-operative College at Madras, but what I wish to say this evening is that the Hood Co-operative Institute has led the way in co-operative education. The success it attained, on account of the selfless endeavours and enthusiasm of its successive Committees, have been responsible for the general desire among co-operators for more and more education in co-operation. I may add that students who have gone forth from this Institute have also contributed to this general desire by their good work which has earned the appreciation of the general public for the Hood Institute. This is a record on which the authorities of this Institute might well congratulate themselves.

I fancy I have before me this evening, students who are already employed in one co-operative institution or another, students who hope to be employed by some co-operative organisation, and students who have gone through a course to acquire co-operative culture for its own sake. Probably, I have also before me co-operators connected with societies as members or as directors, and prospective co-operators who are anxious to serve the public in the cause of co-operation. I shall say a word to each of these classes which compose my audience.

First, the students who have been deputed by co-operative institutions. You are already under the employ of some co-operative institution. You have undergone a course of nine months in Co-operation, Banking, Book-keeping and Audit. You have learnt the principles of co-operation which ought to govern every co-operative organisation. You have learnt the canons of Banking which ought to rule every co-operative credit organisation. You have studied Book-keeping so as to be able to maintain the accounts of your respective societies in a proper and up-to-date fashion; for, a business which does not maintain satisfactory accounts is bound to perish. You have learnt Auditing, not with a view to audit the accounts, but with a view to maintain your accounts in a manner

*Valedictory address at the Hood Co-operative Institute.

that will satisfy departmental audit. With the knowledge thus gained, you are expected to help your employer to make the best of the co-operative institution in which you are employed and help it to go forward and expand on well regulated lines. To the extent to which you contribute in this direction, you can expect preferment in non-official co-operative service which, I am glad to observe, is providing opportunities for preferment in an ever-increasing number.

Secondly, the students who have undergone a course in the hope of obtaining a footing in some co-operative institution. Time was, when it was said: "What is the use of training young men in co-operative institutes? Where are the jobs for them? These co-operative institutes will only swell unemployment in the land. Why waste the time of our young men in the institutes? Could not the money spent there be more usefully employed elsewhere?" Happily, those times are gone. Day in and day out, I am now receiving applications from co-operative wholesale stores and co-operative primary stores, from weavers' co-operative societies and from co-operative sale societies, requesting the deputation of my official staff for service in these institutions. Though I granted these requests readily a year or two ago, I have reached the limit in July 1944, and I have had to tell most institutions: "I am so sorry; I have no more men to spare; I shall be pleased if you can give back to the Department the men I have already given to you". To my surprise, most institutions have protested against my change of policy and urged a hundred and one reasons why I should treat their request as a "special case" and permit them to let the men I had lent stay on a little longer. In some cases, I have had to yield, owing to sheer pressure; but in the majority of cases I have told these institutions firmly that I cannot spare my men any longer. I have told them that it was reasonable that I should lend my men in the initial stages to help the institution to get a firm footing; but we are now beyond the initial stages in most institutions, and they have to find their own men for running their institutions. At best, I can only spare Co-operative Sub-Registrars for controlling the subordinate staff. The subordinate staff who run the institution should be found from the ranks of non-officials. I have been told, in reply, that non-official staff are not available; and I have advised these institutions that they should advertise for them offering fixity of tenure in the form of legal contracts and offering sufficiently attractive emoluments. There is, therefore, plenty of opportunity for employment in the co-operative field, and no student who has undergone the course need despair of finding a suitable billet. I may add that service rules have been introduced in many institutions and will be introduced in all, making it obligatory on the co-operative institutions to recruit their employees only from those who have scored a pass from the co-operative institutes in the Province.

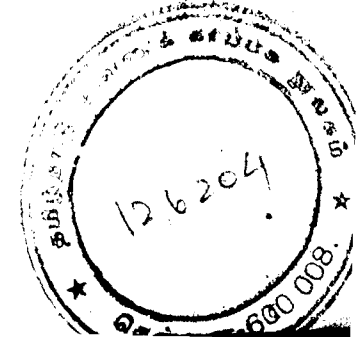
Thirdly, there are the students who have undergone the course purely for the sake of co-operative culture. These, indeed, are young men who deserve the highest praise. They believe that 'knowledge is power' and that, therefore 'co-operative knowledge' is 'co-operative power'. They believe that this co-operative power should be employed in energizing the co-operative movement, in strengthening the co-operative principles which animate co-operative institutions, and in exploring fresh fields and pastures new, for the spread of co-operation. Believe me, the field is wide, and the principles of co-operation are gaining ground in the land. In schemes for Post-War planning, the importance of co-operation in the India that is to be is receiving increasing attention. Schemes for co-operative land colonisation schemes, for co-operative workshops, schemes for co-operative 'sericulture, schemes, even, for co-operative farming are all being discussed and planned; and, when they are introduced, each one of those who have studied co-operation here for its own sake will find a niche for himself which he can fill with splendour and satisfaction.

Fourthly, my brother co-operators. You have been in the co-operative movement for years; probably, much longer than I have been. Looking about you to-day, you probably think of the olden days when co-operation in Madras meant only co-operative credit and probably overdue loans. You are comparing that scene to the scene that presents itself to-day, when co-operation has made a mark in the direction of co-operative stores, providing, every year, nearly 14 crores of rupees worth of provisions to the general public and relieving them to that extent from the problems of scarcity of food. You are, probably, running a co-operative ration shop yourself, where you experience a sense of exhilaration and pride as citizen after citizen comes and takes from your hands his day's ration. I would request you to take the opportunity of the occasion and tell every ration-card holder, "You have come to me under stress of circumstances; I admit that a co-operative society is an answer to a deeply felt need; scarcity of food has brought you hither. When the war is over, and better days dawn, do not forget that a friend in need is a friend indeed". Remember the co-operative stores and be loyal to it. It helped you in your hour of stress; it stands for an ideal; it believes in helping its devotees without making any profit at their expense. Learn that co-operation is a method of doing business far different from the capitalistic method,—a method which eschews selfishness and practises mutual help.

Fifthly, I address the prospective co-operators. You are probably dazzled by the vast strides that co-operation has made in recent years and have come to inquire if there is a place for you in this vast expanding movement. You are certainly most welcome! You can pick and choose. If you wish to serve the public in the direction of banking, you can join

the co-operative credit societies, or co-operative urban banks or co-operative land mortgage banks. The credit movement has grown slowly and steadily during the last 40 years and more; and, I am glad to state that it is as firm as a rock. It has built up huge reserves and won the confidence of the public in such large measure that when the call came to them for financing the consumers' movement, they could finance them liberally. A little while ago, I referred to overdue loans. They need not alarm you. When the income of the borrower increases, the overdues disappear. We are now having a period of advance repayments, and banks are being given back the sums they had lent before they want them. Co-operators with very few exceptions—every golden rule has an exception—have never refused to pay back their loans when they were able to pay. Your deposits will therefore be as safe as sound investments on immovable property, and you will relish drawing your interest thereon with a sense of satisfaction that your deposits have helped some one to discharge a burdensome debt, or to improve his land, or to set up some business enterprise. If you wish to take a hand in the management of co-operative institutions, you will have opportunities in plenty; for these institutions are based on democratic principles and provide equal opportunities for all. They always give a chance to men of ability and honesty; and, in most cases, the heat and turmoil of elections are absent from these institutions. I have read of a co-operative society in Europe which had the same President for 25 years, and, after him, his son held the office for another generation. Though there may be lapses here and there, the ideal of every co-operative institution is to find a Raiffesen, and, having found him, to keep him on for as long as he is able and willing to help the institution. You are probably Raiffesens yourselves; join the Movement, and help it to go forward.

Let me congratulate the members of the Students' Union of the Co-operative Institute on their attainments. They have held 25 meetings in the course of 8 months. They have conducted a number of debates in which their wits were sharpened and their mind has been made alert. They have read plenty of literature in their co-operative library and reading room. Thanks to the generosity of distinguished gentlemen, some of them have been able to take away prizes in elocution and sports. Both these attainments will be of immense value to them in their work in the co-operative field in rural areas. When the Superintendent and the Lecturers of the Institute conduct training classes in 12 centres within the area of operations of the institute during the months of April, May and June, they will demonstrate the value of public speaking and rural entertainment in the field of co-operation. The ryot needs to be jerked off of his lethargy and made to think of a fuller and happier life. Rural sports will help in this direction: and, when ryots are presented with the problems of their own village, and made to think out the remedies therefor on co-operative lines, the co-operative movement will grow stronger and stronger and the co-operative institute will have fulfilled its ideal of educating not only the select within its premises, but also the masses in the country-side.



Co-operative Action in Rural Life.*

BY RAO SAHEB K. SUBRAHMANYAM, M.A.

Mr. De Valois had extended an invitation to the Registrar of Co-operative Societies and requested him to come and participate in to-day's function or in the alternative to send Mr. Ryan. Owing to previous engagements, they have not been able to comply with his request. I have been therefore asked to deputize and am here, therefore, as a stand-by. Even so, I value this privilege and thank Mr. De Valois for the opportunity thus afforded me, to know for myself the great work that the American Arcot Mission Agricultural Institute, has been doing for over 20 years now and the contribution it has been making to the agricultural progress and rural development in this part of the country. I have been wondering why of all the heads of departments Mr. De Valois should have chosen to invite the Registrar of Co-operative Societies. I suspect that as a shrewd practical agriculturist, he knows that the work, which the Co-operative Department has been doing has so much in common with the kind of work which he himself has been doing here for over two decades. The object of all rural development is to promote better farming, better business and better living among the rural community and the Co-operative Department has been exerting its best to promote these objectives, by bringing the agriculturists into voluntary associations of a varied character on a co-operative basis. It is no wonder that at least in one of the British Indian Provinces in India, the head of the Co-operative Department has been styled as the "Registrar of Co-operative Societies and Rural Development".

It has been recognised that direct State aid to the agricultural community may possibly be tantamount to spoon-feeding and may result in an almost entire dependence on the State. Much better method of approach towards the solution of rural problems is to build up voluntary organisations of agriculturists on the basis of self-help and give them all possible aid to promote agricultural interests through such organisations. This is what is being done largely in some other countries, and it seems to me this is a right method of building up a self-reliant rural community.

It has rightly been pointed out by the Linlithgow Commission on Agriculture in India that the "modern conception of the co-operative movement differs markedly from that commonly held at the close of the last century; the term 'agricultural organisation', or better still 'rural reconstruction' expresses more accurately the nature of the activities included within the Movement. It is now accepted that Co-operative

*Address at the Rural Service Exhibition, Katpadi.

principles can be used in overcoming most of the obstacles to progress in rural communities. Wherever agriculture is the predominant industry, co-operation is coming to be regarded as the natural basis for economic, social and educational development and India is no exception. Whatever view is taken of the failures and disappointments, it cannot be denied that in almost all the Provinces, there are to be found outstanding examples of the successful application of co-operation and the problems of rural life and where success has been achieved, it should be within the power of the people to repeat it."

You will be wondering how the co-operative movement is more or less synonymous with rural development and if you permit me, I shall endeavour, for a while, to wander into the field, with which I have been familiar and shall let you have an account of co-operative action in rural life in this Province. As most of you may be aware, the co-operative movement started essentially as a credit movement over 40 years ago. This is because the powerful obstacle in the path of rural development and the most crushing burden on the agriculturists was and still continues to be their indebtedness. Where the agriculturists are so bound to the money-lender that all their produce must be sold to him and that all their purchases made from him, where the interest charged on the loans they take from him are such that they absorb what little surplus there may be and an enhanced return from bumper years or from some improvement arising from better methods of agriculture merely serves to stay the pace at which these charges mount up, it is hopeless to expect that they should lend a willing ear to the advice of the agricultural expert. It is, therefore, in the fitness of things that the co-operative movement has addressed itself to a solution of this problem and attempted to lift the deadweight of debt from the agricultural community. It is needless to say that the solid result achieved is the building up of a rural credit system and the provision through it of a large amount of working capital to the agricultural classes for purchase of seeds, implements, payment of wages or other cultivation expenses. There is no denying the fact that where the rural co-operative credit movement is strongly established, there has been a general fall in the interest rates charged by the money-lenders and that the hold of the money-lenders has been loosened. If to-day the agricultural classes obtain credit at rates varying from 5 to 6¼ per cent in the countryside, this is in a very large measure due to the influence exerted by the co-operative credit system. We have in this province over eleven hundred rural credit societies with a membership exceeding 6.28 lakhs. The loans issued by them have shown a decline in the last 3 or 4 years, primarily owing to the high agricultural prices prevailing but even so, these societies issued loans to the tune of over 167 lakhs last year, of which 92 per cent was for productive purposes, such as purchase of cattle, cultivation expenses etc. It is true that co-operative credit institutions

provide only a small portion of the working capital required by the agricultural classes from year to year. There is surely need both for developing the loan business of the existing societies and for organising fresh societies in villages where they do not exist at present. There is no doubt that institutional credit such as co-operative societies provide is always to be preferred to the money-lender's credit. There is a school of thought which feels that the voluntary co-operative principle has been tried for 4 decades now and that it has not yet pervaded the entire rural community. It considers that when the rural masses do not shake off their pathetic contentment and combine themselves for their own advantage, the State should interfere and compel them to combine themselves for their common benefit. In other words, what they advocate is a system of compulsory co-operation and the substitution of institutional credit through co-operative associations in place of individual money-lenders' credit. The opposite school of thought considers that compulsion through State intervention is a negation of co-operation and is opposed to the principle of voluntarism on which the co-operative movement is based. The Co-operative Department has been engaged in patient and persistent teaching of the principles of co-operation among the rural community and it is our hope that in due course, the rural co-operative credit system will spread still further. These are obvious dangers, too, in any artificial stimulation or hasty expansion of the co-operative credit system in the countryside. I have heard recently that there is a feeling among the experts that the State might set up a parallel system of credit institutions on the lines of the Farm Credit Administration in the U.S.A. I am aware that the Farm Credit Administration has conferred great benefits on the rural community in the U.S.A., but I am afraid that India is not U.S.A. Opinions may differ as to how far State Banks or credit institutions are more suitable in the conditions prevailing here as distinguished from a sound voluntary co-operative credit system. It may be that this will be a point of post-war planning of agricultural credit in this country.

You will excuse me for this digression. I was on the point of saying that though we have started the rural credit system for the provision of working capital required for agricultural production or cultivation expenses, the problem of redemption of prior debt of the agricultural community remained for a long time unsolved. These credit institutions, both by reason of their constitution and the short-term character of the funds they obtain either by way of deposits or loans from central financing institutions, are not suitable for the relief of agricultural indebtedness. We have, therefore, devised a machinery of long-term credit, whose object it is to give loans to the agriculturists for a period of 20 years at low rates of interest for the discharge of their prior debts, redemption of mortgages on land, agricultural improvements or consolidation of holdings. The co-operative land mortgage system, which we have built up in Madras

with the State guarantee and assistance, has evoked the appreciation of students of rural credit, and the administrators of some of the other provinces in India have modelled their long-term credit structure on the Madras system. We have a net work of land mortgage banks in this province about 120 in number tackling the problem of redeeming the agriculturists from their indebtedness. This long-term credit machinery has all long been utilised primarily for the discharge of prior debts. It has not been employed for productive development of land. In other countries, notably in the U.S.A., mortgage credit is employed for a wide range of operations, such as drainage or reclamation of land, promotion of rural industries such as erection or purchase of cold storage, land settlement and so on. It is our hope that the agricultural community will utilise the facilities afforded by the land mortgage bank system for land improvement, particularly in the post-war period.

The co-operative movement has not confined itself merely to the provision of credit. Though in the initial years it has had, for very good reasons, to concentrate on this effort, it is well-known that the village money-lender is more often than not the village merchant or trader and commission agent. More often than not the villager has to dispose of his surplus produce to him at whatever price he gives or whatever measure he uses. Agricultural marketing in many parts of this province or the country was for long chaotic and though in recent years some improvement is noticeable, the progress is not as marked as one would expect. The existence of too many middle men reduces the price for the producer and pushes up the price for the consumer, and the elimination of some of the middle-men in this chain is both necessary and desirable in the interests of the producer and the consumer alike. Only then can the producer expect a reasonable share of the consumer's price paid for the produce. It is here then that the co-operative movement has intervened and for the last 1½ decades, has been doing its very best to improve agricultural marketing on a co-operative basis by the formation of what we term 'Loan and Sale Societies' or 'Marketing Societies and Federations'. We have now about 190 such societies and federations scattered over the Province. Their objective is to provide facilities for the agriculturists to market their produce to the best advantage and get a little more into their pockets than is otherwise the case. The co-operative sale societies have been lending large sums of money every year to the agriculturists on the pledge of their produce and helping them to hold up their produce for a better market instead of their selling it immediately after the harvest, when there is a glut of produce in the market and consequently a depression in prices. The several control measures introduced by the Government for the regulated purchase and distribution of food grains in the Province have no doubt affected the societies in some measure, as there is no incentive to hold up; even so

they handled produce to the tune of Rs. 413 lakhs last year. We have 5 marketing federations in surplus areas of the Province and they have done admirable work in connection with the procurement, storage and transport of food grains through the Grain Purchasing Officers to deficit districts. They marketed produce to the extent of about Rs. 56 lakhs, last year; this processed produce to the value of Rs. 23 lakhs. In the district co-operative wholesale stores and some of the urban co-operative stores—consumers' organisations—which have been built up in recent years the marketing federations find very helpful customers. We have just established a link-up between the producers' co-operative organisations on one side and the consumers' co-operative organisations on the other and it is a part of our post-war planning to strengthen the co-operative agricultural marketing and to confer greater benefits on the rural community and ensure to them a greater dose of economic and social justice and a more reasonable share of the consumers' price paid for their produce.

I have so far referred only to some of the aspects of better business, which we have attempted to do on a co-operative basis. The problem of better farming is, it seems to me, much bigger and more complicated and it is stupid on my part to say that the Co-operative Department alone unaided by other departments engaged in rural work, can make a large contribution. Subject to inherent limitations, however, the Department has been trying to do its utmost to promote better farming. In select areas, we have started agricultural improvement societies and demonstration societies; in addition, we have also entrusted to the loan and sale or marketing societies some of the items of agricultural work, which can be classed under 'better farming'. Expert authoritative opinion is agreed on the point that it is much easier to approach the agriculturists through organised associations and to render expert technical advice or give them guidance than approaching them individually and that the agricultural or veterinary experts or others, who are engaged in the promotion of rural welfare, can find in the co-operative institutions an admirable agency for imparting their advice to the ryots. The Linlithgow's Commission has recommended that co-operative organisations should be more fully utilised by the expert departments than has been the case in the past, for rural improvement and welfare. Though there has been some co-ordination in this direction, much yet remains to be done. My point, however, is that apart from such co-ordination, the agricultural co-operative organisations have been distributing to the people improved seed, manures, agricultural implements and promoting better methods of production. Some of them have taken up seed multiplication schemes in order to ensure a flow of improved seed to the ryots. I do not say that every thing possible has been done, nor have the agriculturists fully utilised the opportunities afforded to them. As an emergency

subsidized distribution of manures and sale of implements and steel tyres have, in pursuance of the 'Grow More Food Campaign', been entrusted to the Agricultural Department and this part of the work for the time being is practically taken away from the Co-operative Department. We are hoping that as soon as conditions become more or less normal, co-operative institutions will resume their beneficent work of distribution of manures, implements and so on.

We have also organised land colonisation societies for the benefit of landless labourers and those who have hardly anything, which they can call their own. These societies have brought under effective cultivation a few hundreds of what was previously waste lands and have begun to raise food and other crops. I may here digress for a while. The Department has been in collaboration with the Board of Revenue getting ready plans for land colonisation and settlement for demobilized men, who will be returning to the civil life after the cessation of hostilities. Further, there is no doubt that the food production of our Province is much short of our requirements. The State owes a duty to those brave men, who have been fighting our battles and it is in the fitness of things that schemes and plans should be formulated now, so that employment may be found for them when they return, without any dislocation to the economic and social life of the Province. Land settlement and colonisation in the period following the end of the war, will thus serve two very essential purposes, viz., increased food production and employment for the demobilized soldiers. The Co-operative Department expects to make its own contribution towards the achievement of these results with the generous assistance of the State.

Better farming, as I have said, is more complex and includes what Mr. De Valois would like to call "diversified farming" or what experts would call "mixed farming". As it is, the agriculturists are disposed, to borrow the expression used by Mr. De Valois, "to put all their eggs in one basket"; they are accustomed to grow only the staple crop, which generations of their successors have been growing. What diversified farming aims at is the cultivation, apart from staple food crops, of fruits and vegetables, organisation of dairying, live stock and so on. Better living implies a better standard of living and this is possible only when the income and purchasing power of the agricultural community is increased. It is the case that generally speaking, the agriculturists idle away for about 6 months in a year; they hardly realise that it is better to have a second string to the bow. The Co-operative Department has been interesting itself in the organisation of industries subsidiary or allied to agriculture in order to ensure to them supplemental income and thus to promote their standard of living. Next to agriculture handloom weaving is the most important industry

and it provides employment to a very large body of men. The Department has formed societies and has put handloom industry on a more satisfactory business footing. There are about 200 weavers' co-operative societies and last year they sold cloth to the value of over Rs. 87 lakhs. We have also formed other cottage industries societies for those engaged in production of carpets and blankets, pottery, mats, coir goods, leather goods, bee-keeping and so on. Handloom industry and some of the other cottage industries to which I have referred may not be so much subsidiary to agriculture as much as full-time occupation for particular communities engaged in them. What I am attempting to say refers to the organisation of subsidiary occupations which confer direct benefits on the agricultural classes. We have formed a number of co-operative milk supply societies and unions all over the Province both in order to ensure supplies of pure milk to urban classes and honest additional income to the agriculturists, who maintain milch cattle. We have about 180 societies and unions and they sold milk for over Rs. 22½ lakhs last year. The rural classes are often exploited by the people who collect milk in villages and supply adulterated milk to the urban classes. Often they take milk on credit and when the arrears go up, these men cease to go to the village. In places where co-operative milk supply societies and unions have been organised and properly function, the villager has the satisfaction of getting a fair price for the milk he supplies and the urban consumer has the satisfaction of getting unadulterated milk for the price he pays. These societies help the agricultural classes, with loans for the purchase of more milch cattle, with fodder and cattle feeds and in some cases secure pasture lands for grazing and for salvage of dry animals.

Live-stock forms an integral part of agricultural wealth; good cattle are necessary both as work animals and milch cattle. Co-operative cattle breeding societies have been formed. We have at present 11 cattle breeding societies in this province, some of which are doing excellent work and through these societies improvement in the breeding of cattle is expected.

Poultry farming is another subsidiary occupation in which the agricultural classes can profitably engage themselves in addition to dairying. We have started societies for poultry rearing and egg-marketing and we hope to form more societies consistently with the response we get from the people. Of all such societies, the Katpadi Egg Marketing Society has done excellent work and we have the evidence of it before you. Thanks to the work of Mr. De Valois, much has been done not only to improve the development of poultry in the North Arcot District but also to provide supplemental income to the rearers of poultry in the villages round about Katpadi. Similar schemes are being tried in Krishnagiri in Salem District, Mangalagiri in the Tinnevely District and Ongole in

CO-OPERATIVE ACTION IN RURAL LIFE

Guntur District. You will be interested in knowing that last year alone the Katpadi Society marketed about 3½ lakhs of eggs and paid the villagers about Rs. 29,000, made a profit of about Rs. 1,000 after meeting all expenses and hopes to build up decent reserves.

I do not propose to weary you with a long tale of the several lines of work bearing on rural development which the Co-operative Department has been doing. As I have said already, it is stupid on my part to claim for my Department the little that has been achieved by way of rural development in this Province. Rural development is itself a co-operative endeavour in which several departments of Government with the help and willing co-operation of voluntary organisations are engaged, and it is only by such combined efforts rural development can be promoted. My object in giving you this account of the work is to show the kinship between us and Mr. De Valois and the object with which he asked the Registrar of Co-operative Societies to participate in to-day's function.

The Co-operative Department has the satisfaction of having done something to stimulate rural development through co-operative methods. It has tried to promote better business, better farming and better living, to build up self-help voluntary organisations for the promotion of rural welfare, to introduce business methods among the rural community, to train people in the country-side in the management and conduct of business organisations. Co-operative institutions have provided a training ground for the management of democratic institutions.

But then the task involved is too heavy for any one department. It is only natural and in my opinion, most desirable that voluntary organisations of the type of the American Arcot Mission Agricultural Institute should supplement the efforts of Government for the furtherance of rural welfare. People in Madras are most indebted to Mr. De Valois and his late lamented wife, Mrs. De Valois, for the contribution which they have made to agricultural development in this part of the country. The history of the Agricultural Institute run by them reads like a tale of romance and adventure and it is surprising that in about 2 decades they have been able to do so much of work and make a substantial contribution to rural welfare. It will be carrying coals to New Castle if I were to attempt to give you the very interesting story of the work and progress of this Institute and the farm attached to it. Started under very depressing conditions over 20 years ago, to be exact, in 1923, with a block of 200 acres of waste land given to the Mission by Government, the farm and the school have made remarkable progress. Another 130 acres have been added to it since. What was once waste land, perhaps abandoned as useless for agricultural purposes, is now a fertile place of production and apart from food grains, you have large gardens with limes, cocoanuts, mangoes and oranges and citrus fruits. You have a model poultry

farm and a dairy herd. The location of the school is splendid, away from the distractions of town life. The work of the Institute falls into four categories. The first is the agricultural demonstration farm, where new theories and discoveries and farming methods are tried and then adopted to local use, where adults and youths can get trained for better rural life and living and wherefrom a stream of useful information on agricultural matters flows out to the community and the district. The demonstration farm has, as I have said, a model poultry farm with over 1,000 birds, perhaps one of the largest breeding plants in India. I remember that poultry shows and exhibitions by the Mission used to be an interesting feature of the Park Fairs which till recently, were held in Madras. The poultry farm has demonstrated how a profitable cottage industry can be made out of poultry so that the poorer classes of the agricultural community can get additional income or improve their diet and standard of living. The farm also contains breeding bulls and buffaloes intended for public service and I understand that 500 services are annually made. Methods of conservation and use of manures, improved ploughs and implements, soil conservation and improvement are all attempted at the farm. The farm has successfully demonstrated the utility to the agricultural community of diversified or mixed farming.

I may here digress again for a while. One often hears that one of the solutions of the problem of Indian poverty is industrialisation of India and a proper balance between agriculture and industry. I wonder whether it is sufficiently recognised that there should be a proper balance even in agricultural development itself. I was reading the other day a radio talk in the B.B.C.'s Eastern service by Sir John Russel, Sir Malcolm Darling and Mr. Wickham Steed. What struck me most in the talks is the very apt reference to the problem of Indian ryot, viz., to give him more to do and to find not only food, but also work for his increasing numbers. They admit that industrial development may be a remedy but they rightly say that the population in this country is too large and is increasing too fast for it to be a complete remedy and that agricultural development is even more necessary. They suggest development of village craftsmanship which may give the peasant more to do though it may not necessarily give him more food. Their more important suggestion is the production of more eggs, milk, fruits and vegetables, that is to say, more protective foods, because they feel that there is evidence of deficiency diseases due to lack of these things and that unless they are increased, the standard of living of the average Indian can hardly be expected to rise. In other words, they advocate 'mixed farming' and they consider it as the root of the agricultural problem in India. I believe that Mr. De Valois has anticipated through his farm and Institute what these three great men

have now propounded. This is a tribute to the foresight and the thorough grasp of the Indian agricultural problem on the part of Mr. De Valois.

The second activity of the Institute is the Rural Community Middle School which gives the young boys practical training in agriculture. The Institute has laid the foundations for rural leadership, and there can be hardly any doubt that the young boys who go out of the Institute carry with them their practical knowledge of agriculture and apply in their life as agriculturists, the practices and methods, which they have learnt in the farm. I was reading three days back an interesting editorial in the *Hindu* about "Science and Indian Agriculture." The writer says that although in the past half a century and more agricultural sciences have proceeded from success to success, it is a deplorable fact that they have yet to leave any notable mark on the agricultural industry in this country, and that the contribution of science to the development and progress of Indian agriculture has been practically little. It is possible for the critics to agree with this view. The main reason advanced is that the activities of the agricultural scientists stand divorced from the needs of the person at the plough. It is here that Institutes of the type run by the American Arcot Mission can be of great service to the rural community. The Institute correlates the results of agricultural science to the practical needs of agricultural industry by trying out the discoveries and theories on the farm itself before they can be adopted for large scale application. One would wish that we have such institutes in all districts so that they may act as store house of information on agricultural practices and train young men in upto date methods of agriculture. As I have stated there are schemes under contemplation for land colonisation and settlement in the post-war period. How much would one wish that before the men are settled on land they are sent to this Institute for practical training; they will be the better for it.

The other activities of the Institute include the conduct of the short courses or summer classes and what is more important, rural development extension services. The rural development centre started here radiates and disseminates useful information on agricultural matters. I understand that the centre has established a rural circulating library. It is surely in the fitness of things that the centre should develop cultural life in this fashion.

Well; I have come to the end of my stray thoughts, which I have chosen to say this evening. One will be wondering what is all the motive power behind this rural development work done by the Institute. If you ask me for an answer, I should say it is the missionary spirit and the desire for social service on the part of Mr. De Valois which are at

the back of this development work. In Mr. De Valois we have a gentleman who combines idealism with practical knowledge of agriculture, one who practises what he preaches and one who has successfully demonstrated the lines of agricultural development in our country. A few days ago, I was reading the plans of post-war development of agriculture in our province. I hardly realised at the time what I realise now after coming here two days ago, namely that Mr. De Valois has the foresight through his Institute and farm 20 years ago, to plan what agricultural development should be. The object of all planning is the raising of the standard of living of the rural community, and Mr. De Valois has well earned the gratitude of all of us having so successfully demonstrated how the standard of living can be raised through better farming and better business on the part of the agricultural community. We miss to-day his partner who helped him so devotedly to build up the farm and the Institute. Let her soul rest in Peace!

I learn that Mr. De Valois will be shortly going to America on furlough. We have already made a request to him to bring back with him up-to-date literature on matters of interest to the Co-operative Department. America should have made very remarkable progress in agricultural development after the outbreak of the War. We are sure that Mr. De Valois will bring back, when he returns, a fund of up-to-date knowledge of agricultural practices and methods in that country and would be able to make a far larger contribution to the promotion of agricultural industry and rural development in this Province than what he has already done in the past. Let us wish him a safe voyage, a happy sojourn in his own country and an equally safe return to our midst.

Tit Bits.

As long ago as 1314, the English Parliament resorted to price-fixing in war-time. During the war between England and Scotland, the price of a fat ox was set by law at 16 sh., of a cow at 12 sh., and so on.

In Japan a person's age is counted from the date of conception, not from birth. . . a cup of tea should properly be drunk in exactly three and a half gulps, and pillows are made of wood.—John Gunther.

The use of homing pigeons as carriers is as old as Solomon, or older. Ever since Noah sent forth the dove, in fact, pigeons have been employed to carry tidings, good or bad. In Greek times the names of Olympic victors were conveyed to their several cities by pigeon post.

News and Notes.

Obituary. We deeply regret to report the death of Rao Bahadur V. A. Arunachala Mudaliar of Vadanangur, who had long been connected with the Co-operative movement as President of the Vellore Co-operative Central Bank for nearly 14 years and of the Wandiwash Co-operative Union and Land Mortgage Bank from their inception. He was also President of the Cheyyar Taluk Board for 3 years.

Tiruchengode Co-operative Land Mortgage Bank, Ltd. It is gratifying to learn that the above Bank has been doing good service by advancing loans to agriculturists for land improvement purposes such as improvement of old wells in lands, construction of new wells and for "Grow More Food" purposes. Though the area covered is considered poor from the point of view of rainfall and water supply, the loans advanced were for small amounts mostly below Rs. 1,000 and the Bank transactions have risen from Rs. 2,09,987 on 30-6-43 to Rs. 2,24,246 on 30-6-44. The Deputy Registrar for Land Mortgage Banks, Coimbatore, has, in his inspection report dated 14-12-44, commended the good work done by this Bank.

Tiruvannamalai Co-operative Stores. The Board of Management had arranged for the supply of 3 varieties of food packets—sambar, curd and tamarind baths—at a cost of Rs. 0-2-6 each packet to the large crowd of pilgrims that had gathered during the Karthigai Festival at Tiruvannamalai. 4,178 packets were sold during the 11 days of the festival yielding a net profit of Rs. 57. Even local residents purchased these packets on account of the excellent quality of the preparation. The Rationing authorities, the Co-operative Labour Union and the Municipality helped the Stores considerably in this humanitarian service.

Chingleput Co-operative Wholesale Stores. When firewood position became acute in Chingleput district, the Collector drew up a scheme for the procurement and supply of firewood in the principal towns of the District in November, 1943 and entrusted the entire work to the Wholesale Stores. The Stores commenced work on 3-12-43; casurina trees in topes requisitioned by the Collector were cut by the Stores and stocked in Depots at Saidapet and Kodambakkam for distribution. The price was fixed at Rs. 0-11 6 per gundu. The sum of Rs. 2 allowed per ton to the Stores as supervision charges for cutting and transport of the firewood and for stocking and retail distribution was found quite inadequate to maintain the large establishment. On representation the Collector fixed the sale price at Rs. 28-12-0 per ton and had deputed the Revenue Staff to secure transport facilities for the same whenever difficulties were experienced. The Stores purchased 5,589 tons and sold 5,470 tons till the end of January 1945. The distribution scheme is working satisfactorily under the direct supervision of a departmental Inspector and the Stores have won the appreciation of both the public and the Collector.

Coimbatore Co-operative Central Stores. Imported 700 bags of toor gram from Hyderabad at a competitive price, got it converted into dhall and were able to fix the price at Rs. 5 per bag cheaper than the market. The Collector, thereupon scaled down the prices of other Wholesale dealers from about Rs. 41 to Rs. 30 and 31 per bag. This has led to the recognition of the Stores as a bulk importer of pulses by the Revenue authorities and being assigned import quota of all articles for the district.

Karur Municipal Employees' Co-operative Society, Ltd., Karur, celebrated its Silver Jubilee on the 11th March, 1945 in the premises of the local Municipal High School, under the presidency of Sri T. S. Muthukumaraswamy Pillay, President, Trichinopoly District Central Co-operative Bank. Mr. R. S. Ramalingam, Commissioner, Karur Municipality, hoisted the Co-operative Flag. The Silver Jubilee address was delivered by Sri S. Agneeswaram Pillai, B.A., Dy. Registrar of Co-op. Societies, and Sri A. Hirudhayaswami Reddiar, M.A., B.L., Professor of Economics, St. Joseph's College, Trichy, spoke on 'Post-War Co-operation', and said that in post-war days co-operation is bound to play an important part as it reconciled the freedom of private enterprise with the benefits of public control.

The Deputy Registrar congratulated the Society on the good and useful record of service to its members and offered many useful suggestions to increase the usefulness of the Society.

Razole. The Co-operators of Razole and its neighbourhood accorded a rousing reception to Mr. W. R. S. Sathianathan, I.C.S., Registrar of Co-operative Societies, Madras, during his visit by decorating the main roads of Razole Town with placards offering Welcome Placards containing slogans such as "Better to suffer, but do not encourage Black Market", "Service is our motto, but not profit", were prominently displayed. After tea, welcome addresses were presented to the Registrar by the Co-operatives of Nagaram Khandham and the members of the Labour Co-operative Societies in the spacious pandal erected in front of the Stores. The Registrar replied suitably and spoke on 'the Co-operative Movement and Post-War Reconstruction'. The Deputy Registrar of Co-operative Societies, Rajahmundry, translated the speech of the Registrar into Telugu. The cocoanut growers of Razole Taluk presented a memorandum and the Nagullanka Cigar Manufacturing Society presented samples of their manufactured cigars. A grand dinner was also arranged in the upstairs of Sri A. V. S. Narayanaraju Garu, Zamindar of Chinchinada at Chintalapalli and the functions were well attended by the public and prominent co-operators.

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Reviews.

Recent Trends in Co-operative Banking in Bombay Province by Prof. V. G. Kale.

Co-operators are under great obligation to Prof. V. G. Kale, the well-known Economist and Co-operator of Poona, for having undertaken to examine the recent trends in Co-operative Banking, and his review is published under the auspices of the Bombay Co-operative Banks Association. There is an impression prevalent among laymen—and among some bankers also—that the standards of Co-operative Banking and Commercial Banking are greatly different, and a study of this bulletin should dispel such erroneous impressions.

Prof. Kale has explored the statistics of the British Banks, the Indian Scheduled Banks and the Bombay Co-operative Banks for the years 1939 to 1944. Three chief features stand out prominently in war-time banking: (i) steady increase of deposits; (ii) an enormous rise in the proportion of investments in Government Securities; and (iii) a great fall in the proportion of Advances. As the *Economist* points out "within the frame work set by a continuous expansion of bank credit, the tendency has been an ever increasing dominance of Government Paper in the balance sheets". Another noteworthy feature is that the percentage of cash maintained changed very little from year to year; in 1939, it was 10.8%; in 1940, 10.2%; in 1941, 10.5%; in 1942, 10.8%; in 1943, 10.7%; and in 1944, 10.4% (British Banks only).

Let me give the relevant figures he has worked out for the three groups of banks.

	British Banks.		Indian Scheduled Banks.	
	1939.	1944.	1939.	1944.
i. Deposits ...	£2,167 millions.	£4,110 millions.	Rs. 236 crores.	Rs. 811 crores.
ii. Advances ...	988 "	770 "	105 "	210 "
iii. Investments ...	600 "	2,415 "	(Not available in the officially published statistics)	

	Bombay Co-operative Banks (Provincial Bank and 10 Central Banks).	
	1939.	1944.
(i) Deposits ...	Rs. 403 lakhs.	Rs. 795 lakhs.
(ii) Advances ...	234 "	320 "
(iii) Investments in Securities ...	145 "	382 "

Expressed as percentages of deposits, which brings out the changes vividly, the figures are as under—

	British Banks.		Indian Scheduled Banks.		Bombay Co-operative Banks.	
	1939.	1944.	1939.	1944.	1939.	1944.
Deposits ...	100 %	+88 %	100 %	+243 %	100 %	+100 %
Percentage of Advances to Deposits.	45 %	18.8 %	44.4 %	27.4 %	58 %	41 %
Percentage of Investments to Deposits.	27.7 %	58.9 %	60 %	30 %	36 %	48 %

Prof. Kale observes, "The co-operative figures relating to the distribution of banks' assets which have been set out, go to show that the general trends reflecting war-time economic changes are similar in the case of Co-operative Central financing agencies in Bombay, to those disclosed by British and Indian Joint Stock banks, though the customers of these agencies have to deal with, and the service they have to render are different in character." Let me add that, in peace-time, co-operative banks endeavour to observe the same standards of safety and liquidity as those maintained by Commercial Banks.

T. R. N.

THE MADRAS JOURNAL OF CO-OPERATION

The South Indian Railway Employees' Co-operative Credit Society, Ltd. Report for 1942-44.

The Annual Report of the Society for the year 1943-44 is an interesting record of its activities. It is one of the biggest banking societies, having a membership of about 25,000—the Railway Societies all over India stand in a class of their own. On 30-6-1944, the share capital stood at Rs. 7.75 lakhs, the deposits at Rs. 24.27 lakhs and the working capital at Rs. 38.02 lakhs. These impressive figures show what co-operative organization can achieve in the field of banking.

2. The loans outstanding against members stood at Rs. 32.05 lakhs, and the whole of it was short-term loans. During the year 1943-44, 9,076 loans for a total of Rs. 23.57 lakhs were disbursed, and Rs. 24.32 lakhs recovered. The overdues were Rs. 21,600 under principal and Rs. 505 under interest. The rate of interest on loans was 5½ per cent; the maximum interest for fixed deposits was 4 per cent. The gross profit was Rs. 2.09 lakhs and the net profit Rs. 58,537. A dividend at 6½ per cent was paid and about Rs. 3,500 was withdrawn for the purpose from the Dividend Equalisation Fund.

3. The Society has a Reserve Fund of Rs. 3.88 lakhs, a Dividend Equalization Fund of Rs. 65,000, and a Common Good Fund of Rs. 13,862. Government Securities held amounted to Rs. 2.05 lakhs; and the balances of the statutory Funds are invested mainly in the District Central Bank.

4. The Society has a Mutual Retirement Benefit Fund; the number of members and the amount at credit of the Fund on 30-6-44 were 12,125 and Rs. 1.91 lakhs as against 3,410 and Rs. 63,000 respectively on 30-6-1943. During the year 1943-44, Rs. 1.80 lakhs were received, and Rs. 2,394 paid out. From the Common Good Fund, 12 Scholarships to the value of Rs. 955 were awarded for technical education, and Rs. 5,000 contributed towards the Madras City Flood Relief Fund.

T.R.N.

The Kurnool Hanuman Co-operative Stores, Ltd., Report for 1943-44.

This is one of the "War-time" Stores, having been started on 29th April 1940. Its progress during the first three years seems to have been slow; but during its fourth year, the transactions have developed remarkably, and the Stores has been a great success. It is stated that the introduction of statutory rationing in the town has mainly contributed to the growth.

2. On 30-6-1944, the Stores had a membership of 726 and a share capital of Rs. 4,848 as against 51 and Rs. 391 respectively on 30-6-1943. The total purchases during the year amounted to Rs. 8.89 lakhs and the sales to Rs. 8.94 lakhs as against Rs. 67,000 and Rs. 53,000 respectively during the previous year. The monthly sales now are stated to be about Rs. 1½ lakhs.

3. The Stores maintains 23 depots in the town and deals in "controlled" articles and other household stuffs. The Board acknowledges its gratitude to the Collector for his patronage. The Stores made a net profit of Rs. 30,087, out of which a small sum of Rs. 490 was appropriated to the payment of dividend (Rs. 310) and honorarium to Secretary (Rs. 180). The balance has been added to Reserves—Rs. 15,000 to Reserve Fund, Rs. 40,000 to the Business Reserve, Rs. 10,000 to Building Fund. These wise provision will place the Stores in a sound financial position in the years to come.

4. The district wholesale stores have been very accommodative in the matter of supplies and allowing credits. The Central Bank has given financial facilities to the Stores.

T.R.N.

REVIEWS

The Tiruchengode Handloom Weavers' Co-operative Sale Society, Ltd. Report for 1943-44.

The annual report of the Society for 1943-44 provides an instructive instance of what co-operative enterprise can achieve for the weavers. The society is located in the cotton growing area of Salem District and was started on 24th August 1938. At the end of 1938-39, it had a membership of 73, with 65 looms working; on 30-6-1944, it had a membership of 384 A class and 439 B class, and 724 looms were working. During the year 1943-44, there has been an all round increase of business and production.

2. The Society produced, on its own account, goods worth Rs. 1,61,355, and Standard Cloth on account of the Madras Handloom Weavers' Provincial Society valued at Rs. 2,27,596. The latter work was undertaken in pursuance of Weavers' Relief Scheme sanctioned by Government. That gave employment for about 750 looms which turned out 2½ lakhs yards of Standard Cloth, and the wages paid amounted to Rs. 45,790. The Society was greatly helped in its activities by the Co-operative Department with staff, by the Central Bank with finance and by the Provincial Weavers' Society with yarn and offer of production work.

3. According to the audit certificate, the Society made a net profit of Rs. 11,821 for the year. 50 per cent of it was added to Reserve Fund which stood at to Rs. 9,481 at the end of the year. There is also a Fluctuation and Depreciation Reserve of Rs. 29,262. The paid up Share Capital was Rs. 10,619, and the net profit made represents a little more than 100 per cent thereon.

T. R. N.

The Madura-Ramnad Central Co-operative Bank, Ltd., the Vizianagram Co-operative Central Bank, Ltd., and the Krishna Co-operative Central Bank, Ltd., Reports for the year 1943-44.

The main items of their financial particulars are as under :

Particulars as on 30-6-44	Madura-Ramnad Central Bank. Rs.	Vizianagram Central Bank. Rs.	Krishna Central Bank. Rs.
1. Share Capital	4.58 lakhs.	2.07 lakhs.	1.93 lakhs.
2. Reserve Fund	2.66 "	0.93 "	1.78 "
3. Other Reserves	1.35 "	0.97 "	1.12 "
4. Deposits and Loans	58.87 "	28.55 "	27.67 "
5. Loans and Cash Credits.	52.66 "	12.87 "	21.00 "
6. Investments	9.21 "	12.41 "	8.93 "
7. Cash	5.42 "	5.91 "	1.45 "
8. Net Profit	75,934	11,269	14,567
9. No. of affiliated Societies.	749	563	438
10. Loans issued during the year (exclusive of cash credits)	15.05 lakhs.	16.22 lakhs.	25.44 lakhs.
11. Overdues { Principal	1.26 "	3.16 "	1.30 "
{ Interest	Nil.	5.11 per cent.	4.126
12. Dividend	5 per cent.	3 "	5 per cent

The Banks did well during the year and their business increased considerably over that of the previous year. The Madura-Ramnad Bank is, we believe, the biggest of our Central Banks.

The Banks financed stores and sale societies on a bigger scale. The Madura-Ramnad Bank has granted Cash Credits to societies to the limit of Rs. 38.18 lakhs and the Vizianagram Bank to the limit of Rs. 2.42 lakhs. The Krishna Bank advanced a sum of Rs. 16.18 lakhs to sale and other societies on the pledge of paddy.

The report of the Madura-Ramnad Bank contains brief notes on the work of the more important types of societies like, the Stores, the Sale, the Weavers, the Milk Supply, the Agricultural and Live Stock Improvement etc. and is quite an interesting record of the Bank's activities during the year.

T. R. N.

Working of the Procurement scheme in South Kanara District, undertaken by the South Kanara District Co-operative Wholesale Stores, Mangalore, for the Crop Year 1943-44 (September 1943 to October 1944)

(Contributed.)

Introduction : The South Kanara Co-operative Wholesale Stores, Mangalore, at the instance of the Board of Revenue (Civil Supplies) undertook in October 1943 to purchase the entire stock of requisitioned rice and paddy in the district. In order to facilitate the delivery of rice by the ryots, it opened in November 1943, 15 reception depots in the centres of production. By the end of October 1944, the number of depots increased to 73.

2. Programme of Procurement : The Revenue authorities estimated the aggregate quantity of food grains to be requisitioned at 4,83,800 murras of rice and this was scheduled to be received as follows: 1/8th by the end of January, 1/8th by the end of February, 3/8th by the end of March and the balance by the end of April 1944. The Stores appointed agents in all reception depots and made arrangement for the receipt of stocks and payment of the purchase price.

By the end of October 1944, practically the whole of the requisitioned stock was purchased by the Co-operative Wholesale Stores. It procured from October 1943 to November 1944 about 5.52 lakhs of murras of rice and about 1.73 lakhs of murras of paddy and sold during this period 5.28 lakhs and 0.83 lakhs of murras of rice and paddy respectively. At the close of the season, it had a stock of about 22,000 murras of rice and 90,000 murras of paddy on hand.

3. Import of rice from surplus districts : In order to supplement local production the District was from time to time allotted quotas of food grains from surplus districts in the province such as West Godavari, Kistna, South Arcot, Trichinopoly, Tanjore, and Nellore. The Co-operative Wholesale Stores was appointed as the sole quota-holder for the district and entrusted with the import and distribution of this stock. In all about 18,600 tons of rice were allotted to the Co-operative Wholesale Stores, moved 15,136 tons before the end of October 1944. It is noteworthy that except for about 2,500 tons, the rest was imported by the South Kanara District Co-operative Wholesale Stores through the agency of the Co-operative Marketing Federations or the sister Co-operative Wholesale Stores at the supplying or exporting end.

The quota of rice was not adequate to meet the needs of the district and it had to be supplemented with wheat and millets. The stores received an allotment of 20,650 bags till 31-10-1944, sold off 15,407 bags and had a stock of 5,543 bags at the end of the season. It also obtained nearly 9,500 bags of ragi and distributed about 3,000 bags before the end of October 1944. Stocks of pulses and gram (such as bengal gram, green gram, red-gram, poor-gram, etc.) with the local wholesalers were also diverted to the Co-operative Wholesale Stores for distribution in the non-rationed areas.

4. Distribution of food-grains: Retail distribution was attended to both by Co-operative Stores societies and authorised private retail merchants. The services of retail Co-operative Stores have been utilised to the fullest possible extent in retail distribution. In non rationed areas, the distribution is being done with the aid of identity cards prepared by the Revenue Department.

5. Finance : The South Kanara District Co-operative Central Bank financed the Co-operative Wholesale Stores for these operations. The credit limit of the Co-operative Wholesale Stores was relaxed as a special case, and it was permitted to borrow upto Rs. 80 lakhs. The Wholesale Stores has taken special steps to increase its paid up share capital and amount due by the Co-operative Wholesale Stores to the South Kanara District Co-operative Central Bank on 31-10-44 was Rs. 18.51 lakhs. The District Co-operative Bank borrowed in turn from the Madras Provincial Co-operative Bank to finance the Co-operative Wholesale Stores.

6. Transport and storage facilities : Thanks to the co-operation of transport company and the assistance of the Collector, the Co-operative Wholesale Stores never actually experienced any serious difficulty either in securing transport facilities or godowns. It was able to secure lorries from the local transport companies at two pies per murra for a mile single trip and at three pies per murra for a mile for double trips. It was also able to secure godowns both in Mangalore and in the interior places for the reception depots.

7. Supervision and control : There are 8 Inspectors stationed at various central places for supervising the work of agents in charge of depots. These Inspectors are controlled by the Co-operative Sub-Registrar, deputed free of cost by Government, to assist the Stores in the procurement operations. The Stores has also taken the services of 6 Senior Inspectors and 4 Junior Inspectors for the audit of the accounts of its head office and branches.

8. Trading results : For the season ended with October 1944, the value of purchases, made by the Stores in respect of local paddy and rice, imported rice, wheat, millets and pulses amounted to Rs. 103.36 lakhs and the sales during the period to Rs. 96.09 lakhs. The value of stock on hand in 31-10-44 was estimated at Rs. 17.21 lakhs. The commission due to agents and the establishment charges of this section exceeded Rs. 87,000 for the year 1943-44. After meeting all the expenditure connected with the operations such as interest on capital, insurance charges, rent, sales-tax and establishment and contingent charges which amounted to Rs. 2.66 lakhs, the Co-operative Wholesale Stores was able to make decent net profit.

9. Future : This remarkable experiment in the procurement of food grains, an experiment, which by the way has not been made elsewhere in the Province on this district-wide scale or presumably in any other British Indian Province—should be pronounced a success for the year 1943-44. It is an outstanding example of happy official and non-official collaboration. This achievement would not have been possible but for the untiring zeal of the Co-operative Wholesale Stores, the sincere co-operation of the Collector and the loyal devotion of all ranks of employees of the Co-operative Wholesale Stores and the co-operation of the producers. It is in the fitness of things that the Co-operative Wholesale Stores has again been entrusted with the procurement operations for the current year also (1945-46). Though the responsibilities it may have to shoulder are greater this year, in view of the all-out district-wide requisitioning, there is little doubt that with the experience already gained, it will acquit itself creditably this year also.

People Co-operate.

Farmers must not lose sight of the fact that it is the man who co-operates and not the commodity. In fact, commodities cannot co-operate. It takes men working together, intelligently in accordance with business rules to make a co-operative function successfully. A great many men get the idea that it requires only a fine elevator, and the best of equipment and machinery to make a successful local co-op.

The human or personal element in a co-operative organisation is the controlling element, and it entirely depends upon the interest that the member takes in his own concern. This interest need not stop with the members. A popular co-operative is a friend to every patron who comes to its doors—Will Doohit, in the Co-op Reporter.

Conference.

Fourth South Kanara Co-operative Conference

(Contributed)

The Fourth South Kanara Co-operative Conference was held in the Bhuvanendra Hall of the Kanara High School, Mr. T. A. Ramalingam Chettiar presiding. Rao Sahab K. Subramanyam, Additional Joint Registrar of Co-operative Societies and Rao Bahadur M. Giriappa, Retired Joint Registrar of Co-operative Societies, also attended the Conference.

After prayer, Rao Sahab P. Ramadass, Collector of South Kanara, declaring the Conference open, said, that co-operation offered a field of public service to silent and selfless workers. He was glad that he was given this opportunity of meeting the co-operators who had gathered there from all over the district.

Mr. S. Narsappaya, Chairman of the Reception Committee, in his welcome address, traced the history of the Movement in the district since 1909 and referring to the South Kanara Agriculturists' Co-operative Wholesale Society, said that in spite of the huge loss the Society had to sustain as a result of the Bombay explosion, the Society succeeded in reorganizing itself by securing more share capital which fact showed the confidence the people of this district had in co-operative institutions. Referring to the stores societies he pointed out that the 63 primary stores in this district had 17,521 members and had a total share capital of Rs. 1,91,000. The total purchases made during the half-year ending 31-12-1944 were for Rs. 45,24,850 while the total sales amounted to Rs. 48,95,391. The Central Wholesale Stores was a huge concern with its 147 branches and had already purchased during this year after August 1944, 5,27,000 muns of rice and 1,00,000 muns of paddy, valued at about 80 lakhs of rupees. It was also the sole agent of the Government to purchase wheat, ragi and other food grains imported into the district from South Arcot, Tinnevely, Bezwada, Tanjore, Nellore and other places in thousands of tons. Mr. Narsappaya paid a glowing tribute to Mr. M. Shiva Rao, the President of the Central Stores and said that but for his constant and indefatigable work, the huge concern could not be run successfully. He also pleaded that co-operation should be given its legitimate place in Post-War Reconstruction.

Mr. Ramalingam Chettiar in his presidential address, said, that South Kanara was always in the forefront in most matters in this Presidency and as regards the co-operative movement this district had always led the way in the Province. Mr. Chettiar said that though Government of India, as well as that of Madras, started the slogan of "The Usual Trade Channels" they soon found that they could rely only on co-operative institutions in handling the food problem and distribution of other controlled articles. The co-operators were dealing now on a large scale and he warned them that they should be extremely careful, to be strictly businesslike and efficient. Any slackness would mean only disaster and ruin. He also deprecated the tendency of neglecting the legitimate functions of co-operative institutions by being carried away by the needs of the present emergency. If they neglected their proper work, when the emergency was over, they would be no where. Referring to post-war problems, Mr. Chettiar said that co-operation alone could solve most of the post-war problems in this country. It was impossible to return to old conditions of life after this war. That a certain degree of Government control would have to be kept up was admitted even by the capitalists of the Bombay Plan. These capitalists wanted only to increase production through industrialisation. They however failed to see that it was no good increasing production without increasing the purchasing power of the consumer. If mills produced large quantities of cloth and at the same time threw 10 million handloom weavers out of employment, it was going to do no good to the country. Similar was the case of other cottage industries. The Government of India thought of introducing collective farming and the subject came up during the Registrars' Conference at Bombay. He pointed

CONFERENCE

out to them that it could only result in unemployment to a large number of farmers and then a resolution adopting the idea of co-operative farming was accepted. Mr. Chettiar further said that either state socialism or co-operation alone could be the solution for post-war problems in the country. Some honestly held that Government ought to adopt socialism. But the co-operators believed that with the help of a certain degree of Government control, co-operation would be able to solve these problems successfully. The main problem of the country was under-employment and the first concern of all plans should be to provide employment to everybody. Fair wages should be ensured if necessary by the introduction of improved methods of production. Power supply to cottage industries, for example, was sure to enable these industries to be more remunerative. Better conditions of life for everybody should be brought about. Co-operation alone could succeed in achieving all these things in the post-war world.

Rao Bahadur K. T. Alva, Retired Deputy Director of Agriculture and Vice-President of the Central Wholesale Stores, then requested the Collector to give away cloth presents to labourers employed in the Central Stores and the Collector gave away these cloth presents.

Rao Sahab P. Ramadass then made a special appeal to co-operators of the district to help him in working out the present rice procurement scheme successfully. He pleaded that special care should be taken of stocks procured that they may not deteriorate during the coming months.

The Conference was then adjourned and met again next morning when a number of resolutions relating to the Movement in the district were discussed and adopted. From an account of the working of the South Kanara Wholesale Stores given elsewhere it will be seen what great part that co-operative is playing in solving the problem of food supply and how well deserved it has been of the confidence reposed in it by the District authorities.

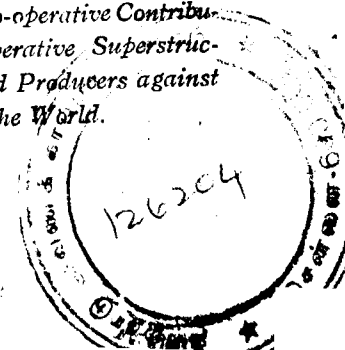
In this age of Potential Plenty, we must devote ourselves, not to the art of getting ahead of others, but to the greater art of getting ahead with others through Economic Co-operation.

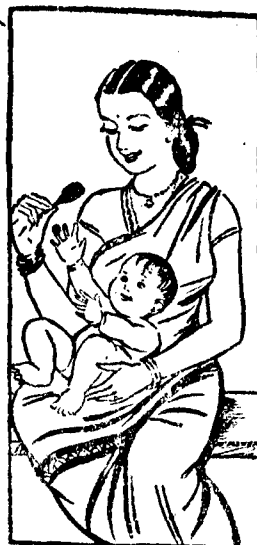
Peace Through Co-operation

The International Co-operative Alliance appeals to Men and Women of Goodwill outside the ranks of the Co-operative Movement to join the vast army of co-operators who in their tens of millions represent every nation and race, every religious creed and every shade of political opinion, and who are pledged to work for Peace through Co-operation, for the Unity of all Peoples, and for the establishment of a New World Order which will realise the Progress of Humanity;

Exhorts Co-operators in every land to demand that their respective Governments will exercise the whole of their powers in support of the Ideals of Equity, Justice and Freedom.

Urges with all the force at its command that Co-operative organisations of all types unite nationally and internationally for the Co-operative Contribution to Post-war Relief, and for the Creation of a Co-operative Superstructure which will be the strongest defence of Consumers and Producers against combines and monopolies which undermine the Peace of the World.





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