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THE

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EACH FOR ALL AND ALL FOR EACH

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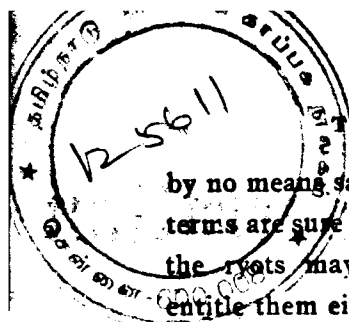
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The Shape of Things.

Irrigation Problems :

In this issue we have given the concluding portion of the valuable note on irrigation problems submitted to the Irrigation Commission by that veteran publicist and able administrator, the late Dewan Bahadur Srinivasa Raghava Iyengar. Though much water has flowed under the bridge, our readers will note the problems dealt with in the note are even now live problems and our administrators are still engaged in tinkering with them. No campaign for the production of more food can be a success unless water facilities are amply provided and to provide those facilities problems such as those envisaged by Dewan Bahadur Srinivasa Raghava Iyengar should be faced and tackled. Now that the Congress Ministry is in office and is in a better position to appreciate and understand these problems, it is hoped the Ministry will not hesitate to adopt measures calculated to produce real improvement in the agricultural practices and thereby ensure the success of *Grow More Food* campaign. We await with interest a real change in the approach to these vital problems.

The figures in the statement just issued regarding the working of the scheme for sinking of new wells and the repair of old ones are



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by no means satisfactory. A more vigorous drive and more liberal terms are sure to yield better results. There may be also cases where the ryots may not be in a position to offer the necessary security to entitle them either to subsidy or loan or both. In such cases the State may even dig wells, supply water and charge water rate. What the rate of interest on loans should be and if in some deserving cases interest should be waived altogether are also points worthy of consideration. On these and other points the memorandum of Dewan Bahadur Srinivasa Raghava Iyengar affords a useful guide.

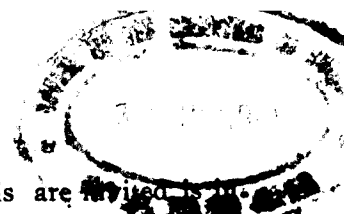
The Co-operative Way :

We are obliged to a friend for the article under the above heading taken from a magazine known as *The U.S.A.* It is an admirable summary of the history of the movement in that cradle of democracy, the United States of America. Our readers will find it interesting reading as it provides a good comparison with the progress and the lines of development of the co-operative movement in our country, especially our province. It is good to know how other countries are developing the movement and perhaps even in circumstances more propitious than our own.

Co-operation in Travancore :

We have great pleasure in bringing to the notice of our readers a valuable paper on Co-operation in Travancore read by the Registrar of Co-operative Societies of that State before the Cochin Co-operative Conference. Apart from the history of the development of the movement which he gives, the comparison he makes between the progress in Travancore and Cochin, two neighbouring States, where economic and other conditions are almost similar, is of more than ordinary interest. These two States are vieing with each other as it were and such healthy competition should be welcomed. We wish there will be more occasions when stock-taking of the progress of the movement in different parts of the country is done so that we may benefit from each other's experiences. There may be lines in which we can with profit emulate others' examples or avoid pitfalls which their experience reveals. The All-India Co-operative Registrars'

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EDITORIAL NOTES



Conference to which representative non-officials are invited is intended to serve this purpose. But we doubt very much if in the atmosphere the proceedings are conducted, there is scope for real and effective discussion. The All-India Co-operative Conference, such as the one recently held at Lucknow, ought to be much more useful. Its usefulness can be increased if every year definite topics of current interest are dealt with and conclusions are arrived at. The Secretariat of this body should be strengthened and the State should even make a contribution without imposing obligations which, in popular opinion, the State-aid always imposes.

Panchayats in U. P. :

It is announced that the revival of village panchayats will receive a high priority in the development programme of the U. P. Ministry. Along with this reform it is proposed to revive the old scheme of introducing multi-purpose society in every village. We note there is some confusion in the scheme between the functions of a panchayat and a multi-purpose co-operative society. One can be complementary to the other but neither of them can discharge the functions of the other. A co-operative society is organised on a voluntary basis. It seeks to bring together people in a village who have common economic interests and attempts to satisfy common economic needs. Though it is registered under a statute it cannot exercise the statutory functions exercised by a panchayat which is intended to cater to the needs of the village as a whole and for that purpose the panchayat is even empowered to levy taxes. In the scheme for village development proposed by the Congress Ministry in Madras, the necessary difference between the functions of a village panchayat and a multi-purpose co-operative society is recognised. It is against the very ideals and ideas of co-operation to enforce compulsory membership. To entrust functions other than those touching the economic needs of the villagers who are the members of the society is to go beyond its scope and invite disaster. We hope a clear conception of these two bodies will be formed to avoid overliapping or even clash so that their smooth working may be ensured.

Co-operative Farming and Village Industries :

Speaking at Satara, the Hon'ble Mr. V. L. Mehta, the Bombay Minister for Finance, Co-operation and Village Industries, announced that the improvement of farming through co-operative agencies and the promotion of cottage industries allied to agriculture were the aspects of co-operation, which the Government of Bombay desire to see promoted in all the parts of the Bombay province. A veteran co-operator as he is, possessing an intimate knowledge of all aspects of rural life, he is sure to evolve workable plans bound to yield good results. There is a great deal of loose talk on co-operative farming and collective farming. Votaries of Russian economic system swear by collective system not realising what may have proved good and successful in Russia may not be useful in India, where circumstances under which land is cultivated vary so much, and the systems of land tenure are equally divergent. Moreover, even the Russian system has undergone many changes as experience was gained. It may be, revolution in the farming systems of our country is called for. But what kind of revolution it should be is a matter for deep consideration. We hope to revert to this topic in our next issue when we hope to publish an authoritative pronouncement on co-operative farming which will also deal with the Russian system.

As regards promotion of village industries on a co-operative basis, the scope is very great. Even the All-India Village Industries Association has accepted that the co-operative method is the best means for developing cottage industries. We do not think there is need to amend the Co-operative Societies Act for this purpose as it has been suggested in some quarters. What is needed is the provision of adequate and regular supplies of raw materials at reasonable prices, finance for the working expenses and facilities for marketing finished products. Necessary provision for the organisation and supervision of these co-operative institutions should be provided by the State free of cost. We hope also to deal with this aspect of the movement at some length in a later issue.

Non-official Employees :

The plight of the employees under the non-official co-operative institutions seems to call for attention. The duties performed by them and the responsibilities borne by them are as important and onerous as those of official employees. If the cry of deofficialisation is to be conceded, the staff employed should at least be as efficient as official employees, and it is needless to emphasise efficiency and higher sense of duty largely depend on the contentment of the staff. While in making initial recruitment every care may be taken to recruit those who possess the necessary qualifications, promotions to higher grades must afterwards depend on merit in work. Direct recruitment to higher grades, ignoring the claims of the existing employees, adopted in some co-operative institutions is causing resentment. The pay of supervisors employed under some of the Co-operative Banks is, to say the least, extremely unsatisfactory and it is no wonder supervision is slack and most of the places remain unfilled for many months. The whole question of pay and allowances of non-official co-operative employees requires thorough investigation and the Madras Provincial Bank and the Provincial Co-operative Union are the best agencies competent to undertake this investigation. The success of the post-war development schemes will largely depend on the efficiency of the personnel employed and efficiency cannot be secured unless decent scales of pay and allowances are fixed to make these posts attractive for the best men in the field.

Co-operative Education :

We have more than once adverted to the certain anomalies in the present methods of co-operative propaganda. While large sums of money are being spent on the maintenance of Training Institutes and the conduct of Panchayatdars' classes, the results have not been commensurate.

A complete overhauling is necessary. It is said the institution of a Co-operative College may be of assistance in this direction. While such a College will help in training personnel for higher grades, the need for the maintenance of Training Institutes to train

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employees for lower grades will still exist. This and other questions relating to the training of co-operative personnel require immediate attention. The education of panchayatdars and members of societies as well deserves equal attention. In this connection we note the Government of Bombay have set up a small committee for considering ways and means of providing co-operative education. May we suggest similar action may be taken here? Neither the Department nor the non-official institutions are satisfied with the present provision for co-operative education. Some radical changes are necessary. We trust the Government of Madras will take early action in this all-important matter.

Intake of Food:

The following intake of food in terms of calories will be read with interest.

The United States of America	...	3,200	calories
The United Kingdom	...	2,800	„
India	...	2,200	„

But, in India, when the ration was reduced to 1lb. the calorific value went down to 1,600 and with further reduction to 12 ozs. it is 1,400 calories only! Can malnutrition go further?

A new job for the Co-ops:

The co-operative movement in Britain has recently begun an entirely new task. It has established the People's Entertainment Society with the object of fostering the theatre and bringing the best works of art before workers.

Thought for the Month.

*Yes, there are stories registered on high,
Yes, there are stains time's fingers cannot blot,
Deeds that shall live when they who did them die:
Things that may cease but never be forgot.—Matthew Arnold.*

NOTICE

Volume No. XXXVIII Madras Journal of Co-operation.

With this issue the Madras Journal of Co-operation completes Vol. XXXVII. Subscribers are requested to remit their subscription for the next Volume, i.e., No. XXXVIII commencing from July 1946 and ending with June 1947 in advance so as to reach this office before the 25th July 1946. If for any reason remittance is not received before that date, the July issue will be sent by V.P.P. which means an additional avoidable expense of annas three to themselves and some unnecessary work to the office.

If subscriptions are remitted by cheques drawn on banks other than the Madras Clearing Banks, the minimum bank commission of four annas may kindly be added also to the subscription.

V. VIYYANNA,
General Secretary.

The Madras Provincial Co-operative Union,
Esplanade, Madras.

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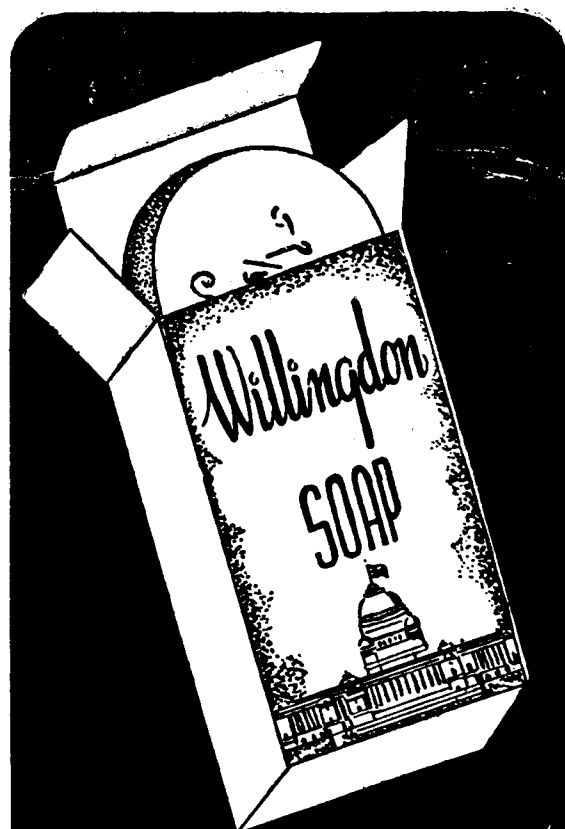
DISTRICT WHOLE-SALE STORES.

The book gives a full and excellent account of the District Wholesale Stores in Madras, their development, their special problems and their future. The services of these stores in this province which constitutes a very fine achievement and which very largely contributed to check profiteering and black-markets, have been reviewed and suggestions for strengthening the movement during the Post-War period offered. The book will be of great use to all co-operators in the whole of India—where similar problems exist.

Only very few copies available.

Price per copy is Re. 1-4-0. Postage extra.

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THE QUEEN OF
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The Irrigation Commission.

ANSWERS BY THE LATE HONOURABLE DIWAN BAHADUR
S. SRINIVASA RAGHAVAIYANGAR,

VII. *Contrivances used for lifting water.*—The contrivances are simple and are only of three descriptions. "If the lift be not more than a couple of feet in height, a palm-leaf lifting basket (bamboo basket covered with leather in the district of Cuddapah) having four ropes attached to each side is used. It is worked by two persons who hold the rope in each hand, dip the basket into water and swinging it when full up to the level of the channel which is to be supplied, jerk the contents into it." This is called the Guda system. Guda is worked both by men and women. It is conveniently adapted for raising water from tank-bed wells, i.e., kasyam wells, from small ponds and guntas.

The *kapila* (കപില) is a system of raising water by means of an iron or leather bucket having a leathern tube in the form of a tail attached to it. The system is too well known to require any detailed description. This system is also called *mhote* (മഹോട്ട). Cattle power is fully utilized in raising water according to this method. Sometimes two pairs of bulls are simultaneously used and this economises and conserves the energy of bullocks and prolongs their life and efficiency. In the deep wells of the Ceded districts, two pairs are indispensable. In the case of (*kiniru*) wells even inferior bulls will do. In exceptional wells even four pairs are sometimes used.

VIII. *Cost of maintenance of bulls and their working.*—Wells when once constructed in a substantial manner do not require constant repairs. In most cases the annual cost in repairs is either trifling or *nil*. The working expenses in the shape of extra items (not incidental to cultivation by irrigation from direct flow) are (1) depreciation of the value of cattle power due to the uncommon strain put upon their strength, (2) cost of the necessary appliances for lifting water. The other charges for manure, etc., are common to all system of agriculture. Cheap bullocks costing from Rs. 50 to 60 will not be serviceable after four or five years. Bullocks above Rs. 100 in value may endure hard labour for periods varying from 6 to 10 years. Hence the calculation of working expenses varies with the quality of the bullock power employed and the degrees of labour (depending upon the varying heights or lift) involved in the operation. The following are some of the rough calculations:—

(1) Value of bullocks Rs. 50. Lift 15 feet.

Kiniru (Well) Assumed irrigable capacity,		Loss per annum.		
	1½ acres.			
Duration of efficiency of bullocks, four years.		Rs. A. P.		
Annual depreciation in their value, one-fifth.		10	0	0
Bona (bucket) and thoudam (tail) to be replaced every three years or so; total value Rs. 10, annual loss			3	5 4
Sundries, say, annually			13	5 4
			1	10 8
Total			15	0 0

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(2) Cost per acre per annum, Rs. 10.	Rs. A. P.
Value of bullocks, Rs. 100. Lift 25 feet.	
Duration of efficiency, six years	
Annual depreciation one-eighth.	...
Irrigable area 1½ acres.	12 8 0
Other items	...
	3 5 4
Sundry	...
	15 13 4
	1 2 8
Total	17 0 0

Rs. 11-5-4 per acre.

N.B.—When commercial products such as ground-nut, etc., are grown, the ryot will have to buy fodder. I have not included the labour of three men absolutely necessary for well-cultivation on the supposition that the crops raised in the ground support the men engaged in raising the same. Extra cost under wells is alone taken into account.

Similarly, for two pairs, each costing Rs. 200.	Rs. A. P.
Lift more than 30 feet. Period of efficiency	
eight years. Annual depreciation, one-twelfth.	16 10 8
Other expenses, buckets, etc.	...
Sundries	2 0 0
	1 5 4
Total per annum	...
Per acre	20 0 0

Per acre Rs. 13-5-4.

In the case of wells requiring two pairs of bullocks, fodder for one pair will have to be bought, since the fodder obtained from the crops raised in a holding of 1½ acres is hardly sufficient for one pair. This will add another Rs. 15.

The diameter of the bucket used varies according to the capacity of the bulls. Iron buckets are more durable than the leathern ones. The diameter of iron buckets varies from 2 feet to 2½ feet and its depth excluding the tail is about 18 inches. The diameter of a leathern bucket is 27 inches.

IX Nature of the crops raised and the periods at which they are raised.—Under wells having a perennial supply of water, all kinds of customary crops are raised throughout the year, paddy being the chief wet crop and ragi or cholam the principal dry crop. The accompanying table exhibits in one view the various crops raised under wells and the times at which they are sown and reaped. It must, however, be borne in mind that the practices differ in different villages of the same taluk or groups of villages. The one common policy, however, of all places having good irrigation well is to raise at least one paddy crop in a year.

THE IRRIGATION COMMISSION

Crop.	Number of months.	Sowing season.	Reaping season.	Field per crop per acre.
Kar paddy	3 months.	Vyasi—May	Audi—July	8 putties (160 Tirupati measures per putti), value Rs. 60.
Pishanam	6 "	Avani—August	Margali and Tye—December and January	10 putties (160 Tirupati measures per putti), value Rs. 70.
Sambavulu paddy.	5 "	Chitri—April	Avani—August	9 putties (160 Tirupati measures per putti), value Rs. 63.
Vadasambabaralli.	5 "	Avani—August	Margali—December	8 putties (160 Tirupati measures per putti), value Rs. 56.
Chillies	5 "	Avani and Peratasi August and September	Tye, Masi and Panguni—January, February and March	20 maunds at Rs. 2 per maund, Rs. 40.
Cholam	4 "	Vyasi and Auni—May and June (under wells)	Peratasi and Alpisi—September and October	6 putties at Rs. 7 per putti, Rs. 42.
Coriander	3 "	Karthy—November	Masi—February	Ra. 300 to 500 per annum.
Betel garden	3 years.	August		
Gingelly—				
First crop	4 months.	Margali—December	Panguni—March	1 putty, Rs. 20.
Second crop	4 "	Panguni—March or April	Auni—July	Do. do.
Chumboo	5 "	Chitri or Vyasi—April or May	Peratasi and Alpisi—September and October.	6 putties at Rs. 6, Rs. 36.
Ground-nut	6 "	Auni and Avani—July and August.	Masi and Panguni—February and March	20 putties at Rs. 3, Rs. 60.
Indigo	...	Alpisi and Kartigi—October and November	Chitri and Vyasi—April and May.	Varies with the market price.
Ragi	4 "	Auni—June	Alpisi—October	6 putties at Rs. 8, Rs. 48.
Sugar-cane	12 "	Vyasi—May	Chitri—April	Near Rs. 200 per acre; expenses very great.
Tobacco	5 "	Avani and Peratasi—September and October.	Margali and Tye—December and January	Nearly Rs. 150 per acre.
Turnerio	9 months.	Auni and Audi—June and July or Margali—December	Tye and Masi	Yield 200 maunds at Rs. 3, Rs. 600.
Mullanghi (radishes)	1 "	Alpisi and Kartigi	Margali	Expenses very heavy. Crop difficult.
Onions	4 "	Chitri—April	Audi—July	20 maunds at Rs. 3 a maund per mensem, Rs. 60.

In the Ceded Districts the Tamil months are not in vogue. There the Sanskrit months such as *Kartik*, *Avin* etc., are largely used by ryots in agricultural daily life. Each village has its own peculiar scheme of crops for a particular year and the months prescribed for sowing and reaping are also very often overlooked if the rainfall is not timely. Especially cultivators under wells often disregard the customary seasons as the crops under them do not depend upon the annual rainfall to such a degree as other crops do.

The following are a few illustrations of the annual scheme of crops in a few villages :—

(a) *Village Perumalballi* has only well irrigation. First crop of gingelly from Masi to Vyasi yield one putti, costs Rs. 20. Second crop, cholam or ragi, six putties, watered twice a week. Vyasi to Avani yield six putties, Rs. 48. Paddy, Avani to Chitri yield eight putties, Rs. 48, total yield for three crops is Rs. 116.

(b) *Village Tukkiyakkam*—First crop paddy, Vyasi to Peratasi.

Second crop either paddy, Kartikai to Chitri, or ragi if water deficient, Margali to Panguni.

Similarly such schemes may be multiplied.

X. *Number of wells constructed from private funds and those constructed by Government advances.*—I am not in possession of recent statistics bearing on this point. But speaking from my experience even as a layman, I may safely assume that 98 per cent. of existing wells were constructed by the ryots' private means. According to the North Arcot Manual, the aggregate number of wells in North Arcot is 91,409. The number of wells constructed with Government loans can never exceed 1,000 for the whole district.

XI. *How far there is a demand for loans and whether there are any difficulties in obtaining them.*—There is no doubt a very large demand for these loans, but there are many restrictions upon their grant. The timidity of the ryot in all matters which bring him in contact with the Government machinery is so great that he will rather go to a sowcar and accept his exorbitant terms than accept the more favourable concessions held out to him by Government. The conduct of subordinate Revenue officials who have not altogether shaken off their old traditional methods of transacting revenue business is not a little responsible for this. Every one who has any knowledge of rural parts knows full well that the entire *takkavi* advance

disbursed to a ryot does not actually reach him. As the success of his application for a loan depends upon a number of preliminary conditions of traditional official life being duly complied with, and upon the actual propitiation of village officers and others, and as there is considerable delay in obtaining final orders, the most benevolent concessions granted by the State lose much of their value, and the needed help cannot be obtained by the ryot in time. Frequent official inspection, interference with the ryot's discretion either in the choice of materials or in the mode of construction, the prolonged and inquisitive enquiries covering his status, social position and solvency, the various opportunities for the misrepresentation of his aims and objects by his own enemies in the village, the impossibility of obtaining a loan from Government when the owner of the land to be improved is not the actual pattadar, the restriction that in the case of joint pattas the consent of all the pattadars must be obtained, the fear that when an experiment in making a well fails, Government will not easily grant a remission there, and several other considerations have stood in the ryot's way and prevented him from taking full advantage of the system of Government loans.

Having regard to all these circumstances, I venture to propose that the rate of interest may be reduced from 5 to 3 per cent. Government, I think, does not look upon this system of loans as a source of profit or revenue, and inasmuch as the sole aim is to increase the staying power of the ryots, I think it will be a good policy and encourage permanent land improvement.

To minimise official inconveniences, I propose the formation of a new department directly responsible to the Board of Revenue or Government in which is vested the entire loan administration. This department if it contains some experts may also afford advice gratis. Government may also keep improved boring and other instruments for the purposes of lending them to ryots and may hold also periodical exhibitions of such useful articles for the instruction and guidance of the agriculturists.

The maximum time for repayment is 30 years. This is no doubt a liberal concession. The number of instalments selected by ryots varies, however, from 15 to 20 in many places.

These remarks apply to regions where well-sinking is practicable. But where the prospect of tapping a spring is very remote no purpose will be served by granting loans for well-sinking. In these

places the construction of small tanks and the excavating of channels will have to be encouraged as far as practicable.

XII. Size of a holding irrigated by a well.—A *kiniru* (well) of a single *mhote* capacity irrigates about 2 acres of land solely depending upon it for all purposes of irrigation. If it is a double *mhote* well it may irrigate from 4 to 5 acres. Any other ordinary good well may irrigate 1 to 1½ acres. The process of baling is generally commenced at 5 A.M. and continued till 10 A.M. Then the bulls are given rest and the operations resumed at 2 P.M. and kept till 7 P.M. A single well is the measure of the capacity of a single house-holder with a family of 3 or 4 working members and a pair of bullocks, and if he has no punjah lands on which can be grown grain and pulses and to be utilised as a grazing land, he can only make both ends meet and can hardly support his cows, buffaloes and other live-stock by the produce of his scanty farm.

XIII. Whether there is the practice of a number of ryots working a well and, if so, how the shares as regards distribution of water are determined.—There are a number of wells worked jointly by a number of villagers, and they are mostly the property of the divided members of the same ancient family which acquired it. In all these cases, the shares in the right to the use of irrigation is regulated by the *jama* system, i.e., to say, each man has his turn at certain stated hours of the day or night. The number of wells constructed on the joint stock co-partnership system is insignificant.

XIV. Arrangement between the landlord and tenant with regard to produce, cultivation expenses, etc.—In Government villages, where well-irrigation is the mainstay of the people, there are a number of such villages both in the North Arcot and Cuddapah districts, the landlord is paid about 3 to 3½ putties* (value Rs. 24 to 28) of grain. This is less than one-fourth of the annual yield. Where a share of crops is allowed it does not exceed one-fourth. I am, however, told that in parts of the Karvetnagar zamindari, where the land is exceptionally fertile and the wells excellent, half share is allowed to the landlord after paying to the zamindar an assessment in kind amounting to about Rs. 5 per acre on an average.

In the case of a typical field in a village like Perumalpalli [vide illustration (a) paragraph IX] we may assume the average yield per acre to be about Rs. 116 or, say, Rs. 120. Deduct—

(1) Expenses of ordinary cultivation (vary with each crop). According to the tables given at page 162 of North Arcot Manual, the expenses are as follows:—

	Rs.	A.	P.	Rs.	A.	P.		Rs.	A.	P.
Paddy ...	*12	3	0	to	8	0	0	For all crops grown in one year, say, Rs. 16	Bullocks ...	1 12 0
Cumbu ...	4	7	0	to	2	9	3		Implements ...	0 14 0
Ragi ...	4	6	8	to	2	9	3		Manure ...	2 8 0
Varagu ...	3	6	4	to	2	3	8		Seed ...	0 14 0
									Wages ...	6 3 0
									Total ...	*12 3 0

(2) Expenses incidental to well

irrigation about	...	20
		36

The landlord is not required to contribute anything towards these expenses except in places where the system of *waram* is in vogue, as in the zamindari of Karvetnagar. The estimated number of wells in this very fertile zamindari is nearly 60,000, nearly half of which are *kiniru* ones. Costly crops like turmeric are largely grown here and the ryots seem to be well off. The assessment being cropwar on the area cultivated, a cultivator may not exceed his capacity and means in the selection of the area to be cultivated. This affords ample facilities for a better concentration of energy and attention than is possible in Government areas. Again the *karnam* will be lenient in his calculation of the cultivated areas, and by propitiating him and zamindari officials, the ryots get over many difficulties. The rigorous system of revenue collection in vogue in the Government villages is unknown there. The zamindari of Kalahasti does not contain good wells and the system of cultivation practised there is also inferior. There are, however, a few riparian tracts where well-irrigation is said to be profitable.

XV. Whether there are administrative or other difficulties in the way of extension of well-irrigation.—The initial difficulty that arises in many cases is that the owner of the land happens to be some one other than the registered pattadar. Here, of course, no loan can be claimed, or is usually allowed. Again, in the case of joint pattas, no loan can be applied for until the consent of all the pattadars is obtained. The local enquiry as to solvency is vexatious and troublesome, and the necessity to produce an encumbrance certificate and to explain all the previous transactions specified therein connected

with the property for the benefit of which the loan is asked for, the frequent inspections of local officers and interference with the ryot's discretion in the matter of selection of materials, mode of construction, etc., these are some of the obstacles to the progress of the Land Improvement Loans Scheme.

To minimise these evils, it will be desirable to constitute a new loans department, to restrict the encumbrance certificate to 12 years from the date of application to advance money on the personal security of only one or two good sureties, to reduce the number of inspections by petty officials, to remit the cost of unsuccessful experiments, to reduce the rate of interest to 3 per cent, to introduce improved methods of well-digging to supply expert advice and instruments when required, to hold exhibitions of improved water-lifts, and in short to popularise the scheme in such a way as to remove the misapprehension that, because Government works the loans scheme, it is necessarily oppressive. Many years ago, the impression concerning the Registration department was one of distrust and suspicion, its basis was the popular belief that anything introduced by Government must necessarily be oppressive. But this impression has gradually worn away by the steady and exemplary conduct of registering officers. If, therefore, a new department for dealing exclusively with Government loans in an earnest spirit were to be constituted and efficiently manned in the manner the Registration department is, I have no doubt, that the scheme will have a bright future before it.

XVI. In conclusion, I most respectfully beg to apologise for the more hurried manner in which this note has had to be written amidst the routine duties of a registering officer and to state that, for want of time, it could not even be fair-copied.

Dated 24th December 1901.

APPENDIX II.

Wells.

EXTRACT from the report of the Sub-Registrar of Udumalpet, dated 9th January 1902.

2. Of the two kinds of wells alluded to those in dry land used for raising garden crops are by far the largest in number and the most important in this taluk. The revenue accounts show that the total number of wells in Udumalpet is 3,622, of which only six are used to supplement deficiency of supply from river channels, 493 are in lands irrigated by tanks (the supply from which is precarious), and the rest are in dry lands where, in addition to food-grains, such commercial crops as tobacco, garlic and cummin seeds are raised with considerable profit.

3. The few wells that have been dug to supplement irrigation from river channels are intended for use for ordinary paddy crops in portions of fields which the channel water cannot sufficiently reach. Further down the Amaravati in 'Karur, where the river supply is small, these wells are of great help. In the year 1900, turmeric crops yielded a very appreciable profit mainly by irrigation from them in that taluk.

4. The wells which supplement the supply from tanks are confined to one village, Buthinattam, with an area of about 3,000 acres. The village is irrigated by seven tanks fed by jungle streams. Their supply does not last for more than five months a year, and, in times of drought, it is barely enough for two months. In raising sugar-cane crops, the four hundred and ninety-three wells in the village are of immense use. The area of sugar-cane cultivation, last fasli, was 728 acres. Occasionally cummin seeds and tobacco are also cultivated. When the tank has a good supply, paddy is grown on nearly half the acreage under the tanks.

5. These wells are smaller and less costly than those in dry lands. They vary in size, in value, and in the extent which they are capable of irrigating according to the soil, the proximity to the tank, and the ability of the ryot to maintain stock and to employ the labour requisite for the purpose. An ordinary well, sixteen feet

square, with a depth of twenty-five feet is estimated to cost Rs. 300 as shown below, provided that no hard rock is met with :—

Digging	...	Rs. 265
Rivetment six feet (stone in mud) on all sides	...	10
Picottah mound erected with chunam and stones, eight feet high	...	25
Total	...	300

When hard rock has to be blasted or the sub-soil springs cannot be tapped except at a greater depth than twenty-five feet, the cost of digging is known to run up to Rs. 600 or Rs. 700. Ordinarily a well is provided with two picottahs or lifts which are worked each with a pair of bullocks. There are a few instances in which four are put up for large wells. But they are rare. Lifts worked with men alone are not known in this taluk.

6. Repairs to these wells relate to stone rivetments on which the picottahs stand. If the construction is one with stones and chunam, there will be no occasion for repairs for about twenty years. Poor ryots who cannot afford to build it in chunam use mud with stones in which case they will have to renew it every two years or so at a cost of Rs. 10. Silt clearance once a year is said to cost a sum of Rs. 10.

7. The picottah is a simple contrivance consisting of two strong poles with a pulley placed on a mound which is generally eight feet from the ground surface and which slopes from the brink of the well. The picottah is known in these parts as *kabala* and does not differ from the contrivances of the kind in other districts.

8. The cost of lifting water from a well of ordinary depth (twenty-five feet) with two picottahs is detailed below :—

Cost of maintaining four bullocks for one year	...	Rs. 120
Wages to one servant for a year	...	40
Renewing leather for two buckets twice in a year, at Rs. 16 each	...	32
Ropes and Sundry	...	13
Total	...	205

The wages paid to the servant is only Rs. 40 unlike the servants in gardens where they are paid in kind at twenty pullahs a month. Two pairs of bullocks at least are maintained, each costing

from Rs. 80 to Rs. 120. The leather Bucket of ordinary size holds from sixty to eighty gallons of water, and I found that twelve buckets were lifted by a good pair in fifteen minutes. They are worked generally eight hours a day. I have ascertained that when sugar-cane is grown, a well of average depth cannot irrigate more than four acres. The yield per acre, if the well has a good supply, if the season is favourable and if the crops are free from disease, is twenty podis of jaggery valued at Rs. 250, at the least. The village has earned a name for superior jaggery, but, in recent years, owing to the appearance of a disease, the sugar-cane has not been giving the same profit. A blight proof variety has been obtained by a few well-to-do ryots, but, owing to its costliness and smaller yield, its use is not quite popular. The paddy crops yield from twelve to fourteen salagais per acre. But as their period is only five months, the tank-supply is depended upon more than the well water. The price of a salagai varies from Rs. 5 to Rs. 7. The yield of cummin seeds, tobacco and garlic is the same as in garden lands.

9. Wells in dry lands for raising garden crops.—They number three thousand, one hundred and twenty-three in this taluk and are, as a rule, larger and deeper than the wells above described. I submit herewith copies of a few estimates prepared in connection with loans advanced by Government which show the details of cost incurred for digging them. It varies from Rs. 450 to Rs. 1,000. The wells vary in size very much and their depth in some cases is known to be forty feet. An average well twenty-five feet square with a depth of twenty-five feet, will cost Rs. 450 unless hard rock has to be blasted. In the matter of repairs the remarks made in paragraph 6 apply. The most important requisite for a well is that the soil should not be loose. The picottah requires strong foundation on a rocky soil within a depth of about eight feet from the ground level. The absence of wells on the Mysore plateau is due to the loose character of the soil and to the absence of a hard surface within an easy depth to build the picottah. In black-cotton soils, rock surface is not reached except at a very low depth which accounts for the fewness of wells in them. Rich black clay is found in many villages of this taluk, and Kamma Nayudus from the north have enriched themselves mainly by cotton cultivation. The wells in them are said to be of great utility, although they are not made use of for watering cotton. In the case of other produce, such as cummin seeds and food-grains, the black soil, when irrigated by

means of wells, gives a rich yield. The ryots assure me that the salt efflorescence, which is injurious to growth, does not appear after a good fall of rain and that, if care is taken to sow or plant soon after the rains, the well irrigation becomes a means of improving the crops considerably. The produce of food-grains on black cotton soil so irrigated is believed to be 50 per cent. more than in an ordinary garden.

10. The following is a statement of crops raised in dry lands by means of well irrigation with the average yield per acre and its value :—

Crop.	Period.	Average yield per acre.	Value.
Cholum	Three months	2 podis.	Rs. 30
Cumbu and varagu	" "	2 "	20
Cummin seed	Two "	1½ podi.	120
Garlic	Four "	30 modas.	120
Tobacco	" "	4 barams.	150

NOTE.—A podi has 96 bullas.
A moda has 16 bullas.
A baram has 20 maunds.
A bulla has two Udumalpet measures (160 tolas per measure).

The quality of water has much to do with the yield ; when sweet in taste, no tobacco can be raised ; when saltish, the well is of little use. Both tobacco and cummin seed require slightly brackish water.

11. The extent or area that an ordinary well can irrigate is about 8 acres. In a garden in the village of Alampalayam, a well measuring 25 feet square with a depth of 32 feet had two picottahs irrigating more than 10 acres, 5 of which had cholam and the remaining 5 tobacco. The rest of the land measuring 8 acres had cotton which required no supply from the well. The owner expected an yield of 10 podis of cholum (value Rs. 150) and 16 barams of tobacco (value Rs. 560). The whole land was purchased for Rs. 3,000 about three years ago. Four pairs of bullocks are maintained and six servants are engaged, four in lifting water and taking care of the bullocks and two to attend to the distribution of water and other sundry duties. The servants are paid in kind at the rate of 20 bullas of cholum a month (Rs. 4-8-0 at current price). The land has no reserve for green fodder or for grazing purposes. A dry land

measuring 12 acres at a distance of 2 miles is used for grazing the bullocks for a period of two months only. The cholum and the cumbu grown in the garden will yield fodder for about six months, and for the remaining four months straw will have to be purchased for Rs. 60. The value of the cotton seeds given to the bullocks for one year is Rs. 80. The total annual cost of maintaining eight pairs of bullocks according to the owner is Rs. 200, excluding the fodder obtained from cholum and cumbu and the wages paid to the servants.

12. It is usual to have a *korai* or grass plot for grazing purposes in each garden, but, in rich soils, ryots find it beneficial to cultivate the whole and use an inferior dry land at a distance for raising the fodder. When the ryot has no such land, he pays monthly Rs. 2 a bullock for allowing them to graze in another man's *korai*.

13. The class of people who are enterprising and are able to maintain the stock and labour required for garden cultivation are the Kammas, a Telugu people from the Ceded Districts who have settled in this taluk. But, for personal labour and hard work, the Goundans or the Konga Vellalas are the most remarkable. There are rich Goundans owning welis who strive to get the maximum yield from their gardens. The Kammas, though not equally hardworking, are more ready to invest sums in wells, and being richer take to garden cultivation more frequently. The hereditary training of the Konga Vellala cannot, however, be claimed by the Kamma.

14. *Document No. 42 of 1902.*—From a document registered a few days ago it is found that a Chetty, who dug a well successfully at a cost of Rs. 400 borrowed from the Government nine years ago, sold the whole farm measuring 18 acres to a Vellala owing to his not being able to maintain bullocks and employ labour for a sum of Rs. 35, subject to the payment by the purchaser of the balance of the loans due to Government aggregating to about Rs. 360. This case exemplifies how, if care is not taken to find out the capacity of the ryot to engage in garden cultivation, advances under the Land Improvement Loans Act do more harm than good. In another instance, a ryot received a large advance for digging a well near a rock which proved to be useless. It is unfortunate that in cases of this kind summary recoveries are made and the concessions of land improvement loans in regard to interest and terms are withdrawn. Experimental borings are not said to cost more than Rs. 25 and, if

recourse to them is made necessary before a loan is sanctioned, much of the uncertainty and loss to the ryot could be avoided. One great reason why ryots do not seek to obtain loans from Government is stated to be the fear that, in case of their attempts proving futile, the Government compels payment at once, which compels them to go to the sowcar. The failure in the case of a poor ryot results in his ruin as the misfortune comes on him doubly. The failure is accompanied by an immediate demand, the non-payment of which leads to distress and attachment of his property. The rules require much relaxation. It would be a boon to the ryot if experimental borings could be effected by experts at the cost of the Government before loans are sanctioned, and if concessions in regard to terms and interest are continued and a portion of the loan is remitted in cases of failure. The ryot would gladly pay the cost of boring if the well becomes a success.

15. In zamindari villages, of which there are five in this taluk, the zamindars claim no enhancement of rent or a share in crops when wells are dug by the tenants. In the inam villages also, no such claim is put forward by the inamdars. The tenants are allowed to enjoy all the benefits of well-irrigation without any increase in rent.

16. When a garden is leased out for varam, all the expenses relating to cultivation, baling of water from wells, the maintenance of the bullocks and the employment of servants are borne exclusively by the cultivator, the owners agreeing to pay half the cost of seeds, half the cost of wages paid for harvesting only, and half the cost of repairing buckets and ropes. The produce is divided equally. All repairs to the wells are carried out by the owners. In a garden in the village of Alampalayam, I found a peculiar form of varam similar to the porakudi in the Southern districts. The owner has taken a partner with him who pays only half the expenses of cultivation and gets a fourth part of the produce in the lands. Of the four pairs of bullocks employed, two belong to the partner and are maintained at his cost and of the six servants engaged, three are paid by him. The partner has to exercise a direct supervision.

17. No instances have been found where two or more ryots have combined to dig a common well. Owing to the limited area which an ordinary well is capable of irrigating—it is generally 8 acres and there are few ryots whose holding is less than 8 acres of

dry land—the system has not come into existence. If the soil is exceptionally good and fit for the excavation of a large well that could irrigate 15 or 20 acres (such wells are found in this taluk), the combination of ryots to dig a common well will be useful. At present, a co-partner in a family owning a tenth portion or so of a well sells it, and in this manner, wells owned jointly by several are found. But as the ownership of a tenth portion means that, once in ten days, he is entitled to use the well, no better crop than cholam or cumbu can be raised and that, too, to a very limited extent. Experienced ryots whom I consulted do not think that the system would be successful.

18. The distribution of water from tanks and from river channels is in the hands of the Revenue Department. A special agency with monigars is employed under the Tahsildar and are paid from the Village Service Fund. The silt clearance is effected by the ryots and kudimaramat labour is exacted. Failure on the part of the ryots is reported by the village authorities and penal fees are levied under the Act for compulsory labour (I of 1858) from which the work is carried out by the Government. At present, one or two leading ryots collect 4 annas an acre in Buthinattam and 12 annas an acre in the Amaravati valley, unless coolies are supplied and supervise the silt clearance. All repairs to bunds and sluices rest with the Public Works Department. It is under contemplation to introduce a reform and change the system altogether by collecting fees from the ryots and having the work done under the supervision of the Tahsildars. Many ryots are in favour of the change.

P.S.—Since submitting the report, I have ascertained that my estimate of the quantity of water, which a bucket used in lifting can hold, applies only to exceptionally big ones and that the average bucket does not hold more than 40 gallons. An allowance of 10 gallons has to be made for leakage in the process of baling. Large buckets holding from 60 to 80 gallons would require specially strong bulls of the value of Rs. 200—250 per pair.

Under cost of lifting (paragraph 8), the estimate of Rs. 120 for maintaining four bullocks for one year will be correct only if cholam or cumbu crops are raised in the same land during a portion of the year which will not be possible if sugar-cane is planted. In the absence of the cholam or cumbu stalks for fodder, the ryot has to purchase straw when the expenses will have to be calculated at

Rs. 4 per bull per month. This would make the cost of fodder for one year Rs. 196 instead of Rs. 120 as has been stated by me. When crops other than sugar-cane are grown, the ryots always make a portion of their land available for fodder giving produce, and the sum of Rs. 120 for keeping four bullocks will be sufficient.

Wells in garden lands do not ordinarily irrigate more than 8 or 10 acres. A particularly large well 38 feet by 30 feet with a depth of 35 feet from the ground level and 42 feet from the picottah irrigates in a neighbouring village as many as 27 acres. It has six picottahs worked by nine pairs of bullocks—three pairs being extra and used for relieving overworked bullocks. About 16 acres are now under cholum and 11 acres under tobacco. Cholum is watered once in fifteen days, tobacco once in five days, while cummin seeds and garlic require a more frequent supply. If a well is capable of irrigating 30 acres of cholum, it can irrigate only 10 acres of tobacco or 8 of garlic. The owner has a dry land measuring 16 acres at a short distance which is reserved for grazing the nine pairs of bullocks for three months only in the year. The cholam stalks afford fodder for the rest of the year.

I have stated that in varam the owner pays half the expenses of seeds, weeding and harvesting only and that the cost of lifting, of employing bulls and men is borne entirely by the cultivator. This arrangement is always subject to the condition that cholum, ragi or cumbu should be cultivated that would give sufficient fodder for the bullocks employed and that the owner should have *no share* in the stalks. The grain is equally divided. In some cases, the harvesting expenses also are borne entirely by the cultivator. If fodder giving crops are not raised, a portion of the expenses for fodder is paid by the owner in some cases, generally one-half. Such instances are very few.

Do you Know

1. What do you mean by 'Hobson's Choice'?

Hobson was a horse-keeper who insisted that his customers should not pick and choose but should take the one next to the door. It was a case of that or none. Consequently the phrase means no choice at all.

2. Why is the mouth of a post box placed on the slant?

It is to prevent rain water from running into the box and damaging the letters.

The Co-operative Way.

BY ARNOLD BONFELD.

Last December American co-operatives joined with co-operative organizations all over the world in celebrating the 100th anniversary of the founding of the first co-operative store in Rochdale, England. That unpretentious enterprise gave impetus to a movement which, before the outbreak of the war, numbered 73,000,000 members in 39 countries. The millions who now participate in the co-operative movement are linked together by their devotion to a common idea and also by the prosperous trade that has grown up among co-operatives everywhere.

The international nature of the co-operative movement was underlined by a letter which reached France shortly after the liberation of Paris by the Allies. Written by Mr. Howard Cowden, head of a large U. S. co-operative in Kansas City, Missouri, to M. Cleuet, manager of the Magazin de Grosdes Co-operatives de France, the message said in part: "You will be pleased to know that we have funds to your credit on our books, which are due and payable and which accrued as a result of the payment of patronage refunds on the lubricating oil shipments we made to you several years ago. Although the amount is small, we hope it may be of assistance to you in repairing the great French co-operative movement."

The late President Franklin D. Roosevelt indicated the part the co-operative movement will play in postwar rehabilitation and reconstruction. In January 1944, in a message to the representatives of 22 countries who met in Washington at the Conference on International Co-operative Reconstruction, the President said: "The weavers of Rochdale . . . balanced independence with interdependence, self-interest with good will, and action with foresight. Any effective handling of the problem of the relief and rehabilitation of the victims of Axis aggression must be based upon these same considerations. The co-operative movement, which belongs to no one nation, but has its roots in the traditions of all democratic peoples, is therefore one of the appropriate instruments to be used in the task."

In the United States to-day there are more than 30,000 co-operative organizations of all types which have more than 5,000,000 members many of whom are members of several types of co-operatives. They do an annual business of about \$4,000,000,000. Thus the U. S. co-operative movement has a larger membership and transacts a larger volume of business than the much more highly developed Swedish co-operative system, although it includes less than 4 per cent. of the American people and affects only a small part of the nation's total business.

There is virtually no line of business that American co-operatives have not entered. They own banks, oil wells, farm-machine factories,

sawmills, printing plants, book stores, canneries, flour mills, cosmetic factories, petroleum refineries and pipelines, coffee roasteries, grain elevators, stockyards, bakeries, dairies. Medical co-operatives take care of members from birth to death. Burial societies provide for their funerals. Altogether, there are 62 types of commodities and services dealt in by "co-op" groups in the United States. There are, in addition, thousands of co-operatively owned retail stores; but in this field the European movement is far ahead of the United States, where retail co-operative stores are just beginning to extend their activities among the urban consumers. The U. S. co-operative movement has progressed most rapidly in rural areas, where it plays a major role in the marketing of farm products and in the co-operative purchasing of goods and services for farmers.

In some rural communities in the United States most or all of the business is co-operatively owned. The town of Burkhardt, Wisconsin, is owned by a co-operative which operates a mill and 140 acres of farmland, while also owning and operating the town's homes and stores. In some farming districts there are general co-operatives which fill all the needs of the community, selling the farmer all his supplies, his food and clothing, and buying his produce. In some cases, they even loan him money when he needs it. The 4,000 inhabitants of Pella, Iowa, have organized a general co-operative which, in addition to the usual co-operative services, runs a freezing plant to preserve meats and vegetables for its members, and a burial association to provide for their funerals. This co-operative last year saved more than \$22,000, and after the war the money will be used to expand its activities into dairying and lumbering.

Co-operative farm marketing amounted to more than \$3,000,000,000 in the 1942-43 season. Dating from the early years of the nineteenth century, these organizations grew slowly. After the war of 1914-18 the movement gained momentum, and by 1925 farm marketing co-operatives were organized into 74 national associations with 879,190 members. Today, roughly one-sixth of all the agricultural marketing in the U. S. is done through co-ops. The largest of these market citrus fruits, dairy products, grain, and livestock. Co-operatives handle one-half of the fluid milk in the U.S., either as sellers or as bargaining agents for dairyman's groups. Others sell cotton, tobacco, peanuts, sweet potatoes, and other crops. Most of these organizations follow the Rochdale practice of paying the farmer the same price he would get from a regular commercial dealer, and then refunding to each member at the end of the season his share of the association's accumulated savings.

Aside from the economic function that these farm marketing organizations perform, they fulfil a vital social role in helping to keep alive the small family-owned-and-operated farm. By enabling the small

producer to compete with larger farms through the machinery of co-operative marketing, the co-operative system thus helps to preserve the rural family unit, institutional foundation of American rural life.

Just as co-operative selling enables the small farmer to achieve certain economies in putting his crop on the market, so co-operative buying enables him to buy the things he needs for his farm—feed, seed, fertilizer, fuel—at a lower price and of better quality than he would otherwise obtain. For example, among the services which the farm co-operative renders is to keep its members informed about the latest developments in scientific feeding and fertilizing, and to provide them with the products that best suit their individual needs. By organizing themselves into regional and national buying organizations, purchasing co-operatives are able to cut the production costs of their members nearly \$50,000,000 a year.

Co-operatives perform another important function in supplying farmers with credit. There are in the U. S. some 2,000 co-operative Farm Loan Associations, which have outstanding over \$1,500,000,000 in long-term loans. These have helped farmers to improve their property and buy equipment to increase their output. Last year, 517 Productive Credit Associations extended about \$500,000,000 in loans to farmers to finance their crops and thus to tide them over from planting to harvest.

Co-operatives have also been very active in providing electricity to farmers. Because private power companies found it uneconomical to supply electricity to remote and widely separated farms, the U. S. government in 1935 set up the Rural Electrification Administration to help to bring the benefits of electricity to rural areas. Assisted by the REA, 825 rural electrical co-operatives supply electricity to consumers at lower rates than would otherwise be possible. The farms so serviced not only can use electrical machinery to make their work easier and more efficient, but also have the convenience of electric lighting, refrigeration, radio, and countless other devices previously not available to them.

U. S. co-operatives have been increasingly effective in the production and distribution of petroleum. In 1943, a number of consumer or purchasing co-operatives, engaged in the petroleum business, formed the National Co-operative Refinery Association, which now consists of 2,327 local co-ops doing a business estimated at almost \$200,000,000 a year. The co-operatives own 364 producing wells, 867 miles of pipeline, and 10 refineries. They constitute the largest independent oil operation in the U. S. and last year they sold to their members 655,000,000 gallons of petroleum at a saving to them of \$16,637,000. At the outbreak of the war in Europe, co-ops in the United States were shipping petroleum to co-operatives in Scotland, Belgium, Estonia, France and Holland.

While co-operative purchasing and marketing were spreading among American farmers, attempts were being made to establish retail co-operatives in urban centres. In Europe the spearhead of this movement was the trade unions. The year after the Rochdale pioneers launched their enterprise in England, a tailor named John Kaulback of Boston, Massachusetts, organized a buying club which became a store known as the Workingmen's Protective Union. The idea spread rapidly through New England to other States and eventually some 400 co-operative stores were established. Later various unions also launched co-operative experiments in industrial communities. They found the going hard, however, and by the turn of the century many of them had failed.

Some of the most successful consumer co-operatives have been those started in the early years of this century by groups of people from Finland, Czechoslovakia, and other countries, who came to the United States to settle and who were already familiar with co-operative methods in their homelands. The stores they operated in typical small American communities—Maynard, Massachusetts; Waukegan, Illinois; and Dillonville, Ohio—are among the largest and best examples of consumer co-operation in the United States, serving as both guide and inspiration to the further growth of the movement.

To-day, the urban consumer co-operative movement in this country is still far behind that of European countries. In Sweden, for example, consumer co-operatives account for 15 per cent. of all retail trade and in England for 13 per cent, whereas for the United States the proportion is only 1.5 per cent. Moreover, U. S. urban consumer organizations are far behind the farm co-operatives in the proportion of the market they reach. A number of factors have hampered the growth of the American urban co-operatives. It is difficult to organize industrial workers who are likely to move from community to community in search of better jobs. Furthermore, the chain grocery stores and markets are so efficiently run that co-operatives cannot make the substantial savings for their members which the farmer-supply and petroleum co-ops do.

Despite these obstacles, leaders of the co-operative movement envisage a continued expansion after the war, especially in the retail consumer field. An important support for this development will be the increasing interest that American labour unions are showing in the co-operative idea. The United Automobile Workers, affiliated with the Congress of Industrial Organizations, one of the two major labour organizations in the country, has established a Consumer Division to study the possibilities of co-operatives among local unions. It is expected that when the war ends the United Automobile Workers will foster the development of credit unions, co-operative insurance, medical co-operatives and co-operative purchasing of fuel oil, coal, and certain other consumer goods. The American Federation of Labour, the other large U. S. labour organization, at its 1944 convention voted to set up a Department of Consumer's Co-operation with a full-time staff to spread the co-operative idea among union members, mainly in the field of urban consumer co-operatives.

The co-operative movement has taken hold. Its leaders point to its growing acceptance and predict a prosperous future for the co-operative idea in the postwar United States.

—The U. S. A.

Co-operation in Travancore

By K. MADHAVA KURUP, M.A.,

Registrar of Co-operative Societies, Travancore.

The following is the text of the speech delivered at the All-Cochin Co-operative Conference, Trichur:

Let me begin by tendering my thanks to the organisers of this Conference for the opportunity kindly afforded to me to speak today on Co-operation in Travancore. There is a particular appropriateness in having co-operative conferences during the *Pooram* season when, in this ancient and historic little city, every man and his wife is gay and having a holiday. The appeal of co-operation is to the masses; and conferences have an enormous propaganda value. One wonders why the literary conferences and competitions which used to be held in the past under different names at this season have gone out of vogue, and agricultural and industrial exhibitions and conferences like this one which are devoted to the serious discussion and study of economic conditions have taken their place. Is it because even in a State like Cochin having a glorious record of literacy and possessing firebrand protagonists of progressive literature and also the greatest living Malayalam poet, literature has not come to the stage of having a mass appeal? Or, is it because, after all, economic factors guide human life and the interest in cultural amenities and in the development of pure art-forms is moribund or has at the present day only a secondary importance?

The cultural contacts between the two sister States of Travancore and Cochin have been long, varied and intimate; military conflicts have become a thing of the past; and when linguistic provinces are in the air, every endeavour should be made to strengthen the ties and deepen our knowledge of the other parts of Kerala. The two Governments have been for some years in the recent past been working almost as one unit in regard to major problems like the Cochin Harbour, food supply, hydro-electric power, fertilisers, and Indian constitutional development. The two States have long been maintaining their individuality. The growth of Kerala art and culture has in no small measure been due to the patronage of the two Royal families. It is not possible to assess the debt of Malayalam literature to these two Governments. Certain recent incidents have served only to strengthen the bonds of friendship between the two States. Both States occupy the foremost place in literacy and education. The Rulers of the two States have long been constitutional monarchs anxious to promote the welfare and happiness of their subjects and voluntarily associating, in increasing degrees, the people and their

chosen representatives in the task of administration. Here you have a Constitution Act and not one but two popular ministers. Travancore was the first to have a popular Legislative Council and has now a bicameral legislature with vast powers. It has a University of its own, which may well develop into a Kerala University. Travancore has covered herself with eternal glory by the Temple Entry Proclamation; and it is soon to have adult suffrage.

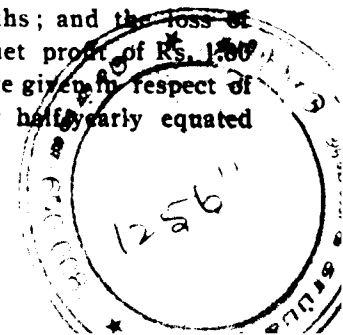
To me, personally, a visit to Trichur where I had my secondary school course has been a source of happiness. To one who was privileged to be born in Cochin, who is privileged to serve in Travancore under a most progressive administration, and who on occasions wistfully yearns for retirement from an official career in his adopted country to public life in his home country, this occasion when I have come to spread the gospel of co-operation among you is not devoid of a thrill.

The Rochdale pioneers celebrated their centenary in October 1945. The Co-operative Societies Act was introduced in British India in 1904; and it was ten years later that, in 1914, Sir P. Rajagopalachari, who, after the Dewanship of this State, had become the first Registrar of Co-operative Societies in the Madras Presidency, came to Travancore as Dewan and, at the end of his term of office, placed the Co-operative Societies Act on the statute book of that State. Neither famine nor usury nor blind emulation of British India, says Mr. Devadhar, was responsible for the law in Travancore, but a growing and profound realisation that the needs of the agriculturist can best be met by co-operative societies. Famine was unknown so long as Burma was the granary; even in 1010 M.E. legislation in Travancore had laid down that interest exceeding half the principal shall not be decreed by a Court; Joint Stock Banks and hundi merchants were in abundance; and there was a regular system for the grant of agricultural loans to deserving ryots. As soon as the Act was passed, an officer was selected and trained in Madras; the Rules under the Act were passed on the 17th November 1915; and the Central Co-operative Bank was registered on the same date. The Act of 1089 was completely revised by an Act of 1112 based on the recommendations of the Devadhar Committee which reported in 1934. There have been, before or since, no periodical stock-taking or enquiry committee reports; but a Special non-official Advisory Committee reviewed the work of the Department in 1942, and its recommendations are being implemented one by one.

When the Act was passed in 1089, a whole-time Registrar was appointed and that practice continued for a long time; but for a period of seven years till about three months ago, the Land Revenue Commissioner, the Director of Agriculture and the Director of Registration were in succession holding additional charge of the Co-operative Department.

In view of the growing importance of Co-operation, there is again a whole-time officer. The Registrar is a member of the Economic Development Board and of the Industries Sub-committee of the Post-war Reconstruction Committee. The State is divided into three Divisions, each under an Assistant Registrar to whom statutory powers in regard to audit and some other matters have been delegated. Apart from the Inspectors who are in charge of administrative circles, of which there are 24, there are 12 auditors who are charged with the audit of bigger Societies and 9 Liquidation Inspectors who attend to the work connected with nearly 500 cancelled Societies. The distribution of work is thus on a functional basis. There is a Special Officer for the rehabilitation of the co-operative movement. The Inspectors and the Liquidators and the Assistant Registrars are invested with powers under the Revenue Recovery Act for the speedy execution of awards. There are Special Sale Officers invested with similar powers engaged in collecting old arrears in Taluk Banks; two Inspectors, one in charge of the Alleppey Wholesale Society and the other of the Lime Shell Societies, are paid by Government; the services of eight Inspectors have been lent to Societies. The Department has on its staff three gentlemen who have been trained in the Manchester College of Co-operation. Most of the Inspectors are graduates. There are two Lady Inspectors, but Travancore is the first and only Indian State to have a woman Judge and we have women employed in almost every department. There is, therefore, nothing special about these Co-operative Inspectresses.

During the last nearly 30 years, myself and my predecessors assisted at the birth of 2,553 Societies, of which, however, only 1,718 were working at the end of the year 1120. The remainder had been liquidated. I shall give you some salient figures for 1120. The total membership of 1,623 Societies—95 Societies had not actually started functioning—was 202,685, of whom 27,482 were women. If a member represents an average family of 5.53 persons, one-fifth of the total population of the State had come within the ambit of the movement. The total working capital of all Societies together was Rs. 83.88 lakhs; and the total paid-up capital Rs. 30.4 lakhs. The owned capital of the movement was Rs. 42.34 lakhs. No loans whatever are due to Government. The total turnover—aggregate of incomings and outgoings together—was Rs. 9.06 crores representing an increase of, nearly, fifty per cent over the preceding year. This gives an average of Rs. 58,027 per Society and Rs. 446 per member. The aggregate Reserve Fund of all Societies was Rs. 14.54 lakhs, of which only Rs. 2.52 remained uninvested. The Societies which worked at a profit earned Rs. 2.82 lakhs; and the loss of others amounted to Rs. 1.02 lakhs, resulting in a net profit of Rs. 1.80 lakhs. Concessions under the Debt Relief Act were given in respect of 4,076 loans issued prior to 1112; and regular half-yearly equated



payments were being made in 3,271 of those cases. Of the committee members, 84.8 per cent were non-officials. There were four Central Societies, the Central Bank, the Institute, a Wholesale Produce Society at Alleppey, and a Central Weavers' Society. One Central Society for cottage industries has been formed this year. There were 19 Taluk Banks, including 3 Banking Unions, functioning, more or less, as intermediary financing agencies. Of the societies, 1,128 were agricultural credit societies and 1,083 were of the unlimited liability type. There were, on an average, three Societies per *pakuthi*. The latest audit orders showed 42 societies in the A class. The Central Bank is not of the purely federal type, but that objective is kept in view and individual members are being eliminated gradually. There are the special classes of societies such as for backward communities, fishermen, women, government servants, factory labourers, weavers, etc. There are also dairy, poultry, honey and other societies. Many societies own sites and buildings for their offices. Societies can and do conduct *kuries* without coming under the *Kuries* Act. Schools, reading rooms and *vydiasalas* are conducted by some societies.

I have had an opportunity recently of reading the first report of your able and enthusiastic Registrar and made some comparisons. The area of Travancore is 7661.75 sq. miles, while that of Cochin is 1,540.28 sq. miles. Travancore has a population of 60.7 lakhs and Cochin 14.2 lakhs. In both States, the density of population is great and the pressure on agricultural land cannot be eased in view of the backwaters and reserved forests. There was, taking the inhabited and uninhabited areas, one society in Travancore for 4.5 square miles and for 8,533 of the population against one society for 4.9 square miles and for 4,544 of the population in Cochin. The Co-operative Societies Act does not allow minors, lunatics, etc., to become members; but taking the entire population for comparison, it is seen that, while one person in every 33.5 of the population was a member of a Co-operative Society in Cochin, one in every 29.5 can be labelled as such in Travancore. The average working capital of a society in Travancore was Rs. 4,893, while, in Cochin, it was as high as Rs. 20,817. The average paid-up capital was Rs. 1,769 in Travancore and Rs. 1,346 in Cochin. Travancore societies had on an average a reserve fund on Rs. 671 and Cochin Societies Rs. 748. The number of women members in Travancore was 27,482 and in Cochin 3,258, which gives an average of 15 and 10, respectively, per society.

There are several matters on which Mr. Mulloth and myself are on common ground. I too lament the accumulation of idle funds in the Central Bank and am on the look-out for opportunities of investment. Overdues have fallen on account of improvement in the price of agricultural produce; and primary societies attract deposits. Untimely

rains and other causes have damped the enthusiasm of some societies in the grow more food campaign. Fishermen's societies—both of the marine and backwater fishermen—have not thriven in view of the absence of a central organisation for cold storage, transport and marketing. Societies with paid secretaries have as a rule done well. I too share the belief that ration shops are not war babies and that societies at least in urban areas can function as consumers' stores.

There are certain gratifying features which attract the attention of an outsider who reads the Report for 1120 of the Co-operative Department in the Cochin State. Your Registrar was able to inspect or visit as many as one-third of the total number of societies, a feat which would ever remain the unfulfilled ambition of his opposite number in Travancore. The Land Mortgage Bank in Cochin is a co-operative organisation. In Travancore, long-term loans to agriculturists are now granted through the Credit Bank, which has replaced direct agricultural improvement loans through the agency of the Revenue Department and the functions of the Land Mortgage Bank. The Cochin Cottage Industries Co-operative Marketing Society did considerable business and made handsome profits with the help partly of the Textile Department and partly of the Victory Shop. The principle of compulsory affiliation of societies to supervising Unions has been accepted. That is an example which I am anxious to follow and which, I hope, Mr. Ryan will influence the Madras Registrar to copy. The high proportion of A and B class societies, 38 of the former and 89 of the latter in a total of 313 societies, is enviable and is a testimony to the business efficiency of the managements of societies and to the prevalence of the true co-operative spirit among the members. Several village societies have taken to multi-purpose activities. The gradual extension of the principle of employing paid secretaries, in some cases with Government help, is noteworthy. In a country where you have your lunch always on credit, the progress of the Restaurant Society in Willingdon Island is gratifying.

Before adverting to a few special activities of the Co-operative Department in Travancore, there is one feature which I should bring to the notice of this Conference, particularly in view of the resolution about deofficialisation of the co-operative movement passed at the recent Lucknow Conference. I have been an official for well nigh thirty-four years; and it is not perhaps possible for me to take an absolutely detached attitude and completely shed my bureaucratic hide even as the head of a department whose main activities are and should be through non-officials. In Travancore, the Registrar is *ex-officio* Chairman of the Central Co-operative Bank. He is the Chairman of the Travancore Co-operative Institute. He is also President of a Government-nominated Board managing the affairs of the Central Weavers' Society. I

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propose to give later on a few figures relating to the Central Bank and the Central Weavers' Society. The Institute is planning to own a printing press and to issue a weekly journal and to carry on intensive propaganda by paid lecturers. The growth of co-operation has been stunted by the lack of publicity. Co-operation is business and not philanthropy. Non-officials of the right type are not always willing to devote their time to honorary work; and for one reason or another, there are no successors to the first batch of distinguished men who came forward to work up the movement in the beginning. Even in primary societies, paid secretaries would be able to show better results; and a full-time secretary, useful even in a credit society, is indispensable for non-credit work.

Another subject that is agitating the minds of co-operators, but a decision on which was not taken at the Lucknow Conference, relates to the element of compulsion. Co-operation is voluntary; but when the interests of society require, the State has a duty to compel an individual to join an organisation working for the economic betterment of the community as a whole and prevent the growth of disruptive elements. When more than fifty per cent of members of an economic unit, say weavers, join a society, the others should, it stands to reason, be forced to join as members. Such compulsion is provided by law in the Minor Irrigation Act of Travancore and in the Behar Co-operative Societies Act. In politics as well as other matters, a minority should never be allowed to exercise the veto and arrest for ever the progress of the community as a whole.

Mention may now briefly be made of some special features of the work in progress in Travancore.

As I said, the Travancore Central Co-operative Bank was the first co-operative society to be registered in the State. Like all human institutions, it had a chequered career. On the recommendation of a non-official advisory committee, the Government, three years back, nominated the Registrar as ex-officio Chairman of the Bank with power to veto any of the Board's resolutions. The Government promised to contribute half the pay of a departmental officer designated Executive Assistant to the Registrar and functioning as Secretary. The Registrar assumed the chairmanship on the 9th Chingam 1119, i.e., less than three years ago. At the end of 1118, the deposits amounted to Rs. 1,45,400 and the funds of the societies invested amounted to Rs. 3,02,825. At the end of Meenam 1121, the deposits had risen to Rs. 9,90,501 and the societies' investments totalled Rs. 4,78,911. The Bank's own investments in Government Securities rose during the period from Rs. 90,900 to Rs. 2,18,800. The number of society members rose from 601 to 882 and that of individual members was reduced from 2,653 to 2,810. When the

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Registrar took control, a sum of Rs. 2,75,000 was due to Government as balance under a loan. This was fully repaid in less than two months. The Bank has declared dividends after a long lapse of ten years. The turnover of the Bank rose from Rs. 9.52 lakhs in 1118 to Rs. 59.49 lakhs in 1119, to Rs. 98 lakhs in 1120, and was Rs. 124 lakhs at the end of Meenam 1121.

Owing to an inherent vitality and latterly on account of the impetus given to hand spinning and hand-loom weaving by Mahatma Gandhi, the handloom industry has survived in India. Next to agriculture, it is the most important industry in the State; and efforts have been made to take advantage of the favourable situation created by the war and to organise and develop it. The Government encourage the establishment of spinning, but not weaving mills. The Travancore Sri Mulam Handloom Weavers' Central Co-operative Society, which now functions under a Government-nominated Board with the Registrar as Chairman, has affiliated to it more than 200 societies, either of weavers or having members interested in weaving. There are, in the State, about 20,000 weavers and 50,000 looms. The Central Society is, on the basis of the number of weavers under its control, allotted 40 per cent of the yarn imported into the State. 3,760 bales of yarn have thus been distributed by the Central Society to weavers, the yarn merchant being completely eliminated to that extent. Manufactured articles to the value of Rs. 3.24 lakhs have been purchased and marketed, after processing and finishing. There are Dyeing and Screen-printing departments in the society. The supply of yarn has never been adequate, regular or suitable; and there were therefore times when the Central Society was giving more promises than yarn and producing more complaints than cloth. The society has introduced standardisation of quality to a certain extent and in some lines. The Government propose soon to issue ration cards for yarn; the ambition of the society is to annex all the cards and enrol all weavers as members of one co-operative society or another and to purchase and market the entire output. Mainly from the profits derived from yarn business, the Society has purchased an acre of land in the heart of the city, within a stone's throw of the Huzur Cutcherry (not that we propose to indulge in any stone-throwing); and it is proposed to make every endeavour to instal a bleaching and calendering plant.

The bed of the Vembanad lake is rich deposit of white fossilised lime shells, which it is proposed to use for establishing a cement factory. Two co-operative societies had long been in existence in that area; the divers were collecting shells and the financiers were exploiting them. From Kannai 1119, the two societies were placed under a departmental Inspector and all the licenses were granted in favour of the societies. The divers are paid every evening on the basis of their outturn; and an average of more

than 100 divers is engaged in the work. They collected, during the last two-and-a-half years, 37,637 tons of shells and received Rs. 1,18,853 as part payment and later on Rs. 12,000 as bonus. The societies have, during the period, accumulated reserve and other funds to the tune of Rs. 48,000. The societies of licensed divers are being organised in other places and also for black shells.

Screwpine mats and fancy articles of a wide variety are produced and marketed by a flourishing society at Tazhava, which, in times of paper scarcity, was supplying Tatas mat bags for soaps. The Kora grass mat industry is carried on in various parts of the State and in one instance by a backward class society. The Government have sanctioned a survey of screwpine and Kora grass industries with a view to organise and develop them.

A survey of the coir spinning industry on a comprehensive scale has been sanctioned on the recommendation of the Industries Sub-committee of the Post-war Reconstruction Committee. That is an industry in which the middleman now reigns supreme; and coir is a produce of which we on this coast may claim to have a monopoly. The intention is to organise primary societies of producers along the entire backwater shores. The societies will take the coir to the licensed warehouses and the producer will be enabled to sell in the best market.

As elsewhere, the food situation created by the war, control by Government of food grains and State-wide rationing gave a fillip to consumers' co-operation in Travancore. Many purely stores societies were organised. One remarkable feature, however, which orthodox co-operators like to-day's President may not approve but which the Reserve Bank of India has blessed, was that as many as 50 per cent of the credit societies switched on overnight, as it were, to non-credit work. Societies were exempted by Government from the security deposit; and the 850 societies between them annexed one-seventh of the total number of ration cards issued in the State. Numerous societies were also given the retail sale of sugar and kerosene oil and helped in spreading sweetness and light into many a home. One distributive society in Trivandrum, which has eleven branches in the city, is virtually having the monopoly for the retail distribution of sugar in the city. This society collected statistics and has issued 23,524 ration cards for sugar and has handled nearly 30,000 bags of sugar during the last three-and-a-half years. Quite recently, societies have also taken part in the procurement of paddy. In this phenomenal growth of consumers' co-operation, one visualises the faint beginnings of the socialisation of the retail trade of the country; but it has not been forgotten that the ideal is attained only when consumers become their own producers. The network of stores conducted by societies acted as fair price shops without

any subsidy from Government, prevented black-marketing and served to raise the societies in the estimation of the public. They made profits in spite of various handicaps; but I attach greater value to the social service they have been rendering in an emergency and to the business training and experience which the employees were able to secure.

Latterly, the Department has been devoting some attention to the development of cottage industries. Only beginning has been made except in regard to handloom weaving and ivory carving. To integrate the spasmodic efforts of artisans, to provide raw materials and to purchase and market the finished articles, a central society was organised in December last and its work was inaugurated by the Dewan. Just before that, the Department's labours had been crowned with some glory, as, at the Sri Chitra Exhibition in the preceding October, the Department, by its display of industrial products, secured the Sachivottama Cup awarded to the best exhibitor. In the course of four months, the Central Cottage Industries Society has enrolled 608 members, and collected Rs. 18,195 as share capital. It has about 60 regular suppliers who brought goods to the value of Rs. 32,631 and got an advance of Rs. 19,734. Some foreign orders are being received regularly; and two contracts were executed for the Public Works Department. The Society participated in the Sivaratri Exhibition at Alwaye; and its Honorary Secretary, an officer of the Government, is now in Bombay exhibiting Travancore artisans' and craftsmen's work at the All-India Exhibition. The Government have sanctioned an interest-free loan of Rs. 50,000 for three years and paid Rs. 6,000 for initial expenses and recurring charges.

The Wholesale Co-operative Society at Alleppey has recently opened a Coir Department. That is in view of the Licensed Warehouses Act which will soon become law. Producers can, under the proposed Act, deposit their goods for export or sale in these licensed godowns; and the receipts granted by the warehouse-keeper, the warehouse warrants, will be negotiable instruments on which the depositor can raise money from a Bank. The Act seems to have no parallel in the rest of India and will be a boon to producers who will not be forced to sell at distress prices. Warehousing will naturally involve grading and standardisation and also check adulteration. In three months during which the Coir Department has been doing business, 913 candies of coir yarn were deposited with the society, which has already sold 687 candies. A sum of Rs. 1.74 lakhs was advanced to the members; and of this Rs. 1.07 lakhs has been recouped by the sale of their yarn to the factories. An advance is made of a percentage of the market price, and the full price is paid to the customer immediately the sale is effected, though some delay is inevitable before the Society realises the cash. A nominal rent is charged and a reasonable interest on the advance. The society allows the deposit of

only dry yarn of uniform scorage and has already established a small reputation for quality. Though there are 30 or more unlicensed godowns at Alleppey, the Society had, during this period, the greatest deposits and the second best sales. The Department dreams of establishing a chain of warehouses, each of which will be fed by primary societies of coir yarn spinners. The society is financed entirely by the Central Bank, like the Central Weavers' Society.

As in this State, the Indian Central Coconut Committee has financed in Travancore also, a three-year programme for the development of copra trade by means of grading and with a view to secure better prices to the producer. The society in Travancore is located at Vaikam where, if one might say so, the pulse-beats of the markets of Cochin and Alleppey can be distinctly heard. Work was started on the 15th Dhau 1121; and by the end of Meenam, the share capital collected was Rs. 3,725. The monthly turnover is Rs. 1 lakh. The Society dries the copra brought to its godowns, grades the article and sells at Alleppey, where there is already a premium on society copra.

I have taken you to some of the oases in the desert of official life of a Co-operative Registrar, who often feels a sense of frustration by the hostility of vested interests, the apathy of producers and the inertia of ages when he seeks to expand non-credit activities. So long as societies are content to lend money to needy members and take no coercive action for recovery, societies are tolerated. But once they take up non-credit work, they appropriate a definite slice, big or small, of the profits of a middleman, who is often glorified as the normal trade channel. That explains why non-credit work makes slow progress.

Co-operation has been variously defined. It is a perfectly voluntary organisation of the people for economic betterment. It seeks to prevent exploitation, to check the growth of the evils inherent in capitalism, to replace competition by mutual help, to live and let live. It seeks to eliminate the middleman, to enable the primary producer to obtain the best price for his products and the ultimate consumer the best value for his money. It thus impinges on all aspects of human life; and co-operative principles can be applied to all human activities. Service, not profit, is the aim. There has latterly occurred a radical change in economic thought all the world over. Competition, which meant survival of the fittest and which has been responsible for untold human sufferings, is gradually giving place to co-operation which has faith in mutual help, in the privilege of the strong to serve the weak, and in removing a perpetual trusteeship by the strong. The election manifesto of the Indian National Congress, which now rules nine out of eleven British Indian provinces, placed co-operation in front of their programme. And it is interesting

to find that, though there is no Minister for Co-operation alone, Co-operation is specially mentioned as one of the subjects in the portfolio of one Minister. Pandit Jawaharlal Nehru envisages a time when the much-abused village credit co-operative society, which did yeoman service in making cheap credit available to the ryot, at a time when he most needed it, and, which indirectly reduced the prevailing rates of interest in the country, will become the village bank. The Bombay Plan, sponsored by capitalists, though it emphasises the augmentation of national wealth primarily by the development of large-scale industries, recognises the value of co-operation in the tasks of distribution and marketing and in the development of cottage industries. The Gandhian Plan, which envisages the establishment of self-sufficient village communities, can best be implemented through co-operative organisations. On the fall of Shanghai at the end of 1937, the co-operatives of China, inspired by a handful of selfless patriots, were able to transplant their industries to the interior and establish a chain of small co-operative factories, and the history of this new co-operative industry in China is one of the most dramatic stories that have come out of the Sino-Japanese war. What China has done India can do. The Government of India appointed a Planning Committee on Co-operation, of which our Chairman was a member; but its report, though it has been submitted to Government, has not been published.

The Rt. Hon'ble A. V. Alexander, the First Lord of the Admiralty and a member of the British Cabinet Mission, in his fraternal greetings to the recent session of the All-India Co-operative Conference, said. "I am convinced that the development of co-operation in India, promoting the great principles of mutual self-help and the practised expression of our motto "each for all and all for each" would be of far-reaching advantage to your people and a pillar of strength to your country as a whole . . . The widest basis of co-operation must, in the long run, be that of consumers . . . If all our efforts are turned to co-operation, we shall be making the largest possible contribution to the brotherhood of man".

It is being increasingly realised and recognised that, in all schemes of post-war reconstruction, Co-operation has a definite and vital part to play. The object of all post-war plans is the raising of the standards of life of the people generally. The various provinces and States in India have formulated such plans, including those for the settlement of ex-service personnel and most of these are based on the co-operative idea. There is in the world of to-day a plethora of plans of Post-war Reconstructions. More correctly in India, they are development plans. The increase in national wealth should not aggravate the evils of capitalism and worsen the maldistribution of wealth. The objective should be the

attainment of full employment as well as the progressive improvement in the standard of living. In western countries, a fairly high standard of living has already been attained; full employment for the whole population and a higher level of comfort are therefore the aims. In India, poverty seems to be a birthright; and economically stratified as our society is, co-operation alone can offer the right solution. It is useful to recall how poor we in India are. An average per capital income of Rs. 65—that is supposed to be our national income in India—is inadequate for assuring a minimum standard of comfort. Compare this with Rs. 1,038 in Canada, and Rs. 1,406 in U. S. A. The majority are living below the subsistence level. Every man in four may now own a car in America; Ford's aim is to make every labourer in his factory own one. The immediate objectives in India are eminently more modest. Talking of cars, how many of us can afford cars? And how many of those who use motor transport do it for production purposes? The majority of the passengers in motor buses are litigants going to courts or, during this week, coming to witness the *Pooram*. The low national income is responsible for our lack of the main ingredients of a minimum standard of life, much less the cultural amenities. The diet of the average Indian is inadequate in quantity and sadly deficient in nutritive value. The consumption of cloth per head is in America four times that in India. Our housing conditions are unsatisfactory. The general standard of health is low; and the general expectation of life is, as a result, 27 years against 63 years in England and Wales. Though Cochin and Travancore are in the vanguard of literacy in India, is our position comparable to that of the population in advanced western countries? Agriculture has become unremunerative and the ryot is chronically indebted.

Vast disruptive forces questioning the fundamentals of human relations and seeking to alter the very foundations of the economic structure of society are aggressively on the march to-day. Co-operation alone can stem that surging tide. Co-operation can do much to rehabilitate the peasant and to help the cottage industrialist and to benefit the consumer. The evils of fragmentation can best be cured by co-operative farming; and the Imperial Council of Agricultural Research is subsidising five alternative schemes in Baroda for relieving agricultural indebtedness and for improving the return from arable land. Co-operation is not merely an economic device to evade income-tax and other vexatious imposts like stamp duty. It is a democratic way of doing business. Co-operation enshrines the philosophy of concerted action in socio-economic matters. It is a mode of life and inculcates a way of thought. It is in fact going to be the religion of the future.

It is not only in the domestic sphere that co-operation has its function. In the international sphere, Co-operation has been accepted as the basis in the global schemes for world security, currency stabilisation, food production, and relief and rehabilitation. The future, one hopes, will be not the age of the atom bomb, but the age of co-operation.

Panchayats for U. P. Villages.

The Congress Ministry in the United Provinces has indicated that revival of Village Panchayats will receive a high priority in its development programme. Dr. K. N. Katju, Minister of Justice, U. P., stated in a press interview, that the old scheme of introducing a multi-purpose society in every village would be taken up again with greater vigour than ever before. The Congress Ministry in 1938 had a plan to establish 30,000 co-operative societies in the province but, owing to the sudden resignation of the party from power, the scheme was not fully implemented. Dr. Katju rightly believes that if the scheme had been completed the recent food crisis would have been tided over with greater efficiency and success than has been possible for the Advisers' regime. The present Ministry proposes to pick up the old thread and revitalise the village economy.

Co-operation can serve villages is the lesson learnt in Western countries, but many believe that the failure of the co-operative societies in India has been due to their restricted application and that, if multi-purpose societies are organised in every village to take part in the different activities of the villages, most of the fundamental problems of India's rural economy can be successfully tackled. Multi-purpose societies have worked very well in different centres in India and the time has arrived for extending their utility to all the villages of a province. Dr. Katju's plan involves the establishment of a strong Gaon-Panchayat consisting of every adult male residing in the village between the ages of 21 and 65 or 70. In bigger villages, where such a wide basis is found to be unwieldy in actual working, every family will nominate one or two representatives for the Panchayat. The Panchayat will not be restricted in its activities only to catering to the needs of the borrowers but will take over under its direction the farming and marketing in the village. It will arrange for all the needs of the cultivators, namely, supply of improved seeds, efficient agricultural implements, manure and fertilisers sinking of wells, construction of water channels, welfare of cattle, etc. The village society will take over the entire produce of the members clean, grade and standardise the stuff and then market it on the best possible terms either to the wholesale traders in the village or to the next big *mandi*. The Panchayat will be financed by the Government, which will in turn advance money to its members in order to enable them to meet their urgent expenses such as payment of land revenue, wages, etc. The Village Panchayat would also construct and maintain a Panchayat Ghar to house a small hospital and a small hall for the transaction of business. The Panchayat will also look after the sanitation and hygiene of the village.

With over a lakh of multi-purpose societies in all the villages of the U. P. and with a large army of workers, the organisation set up will be

adequate to tackle the primary needs of the villages. The new Ministry will place abundant funds at its disposal of the Panchayats through subsidies and interest-free loans. As a true representative body of the peasantry the Congress Ministry may even go so far as to share any loss sustained by the Panchayat through any act of God. Cottage industries will also be taken up by the Panchayat and dairy farming, poultry farming, leather tanning, spinning and weaving, gur making, etc., are among its activities. Dr. Katju expects that if his plan were to be implemented fully the food supply of the province would increase by no less than 25 per cent. on the basis of the present cultivated area and that if agricultural marketing is satisfactorily organised, the cultivator's income under the scheme proposed would go up by about 50 to 60 per cent. While one may not agree with him fully regarding the extent of the benefit that may result from the application of the multi-purpose societies to villages of U. P. no one can deny that, under the Panchayat plan outlined, the village life can be revitalised rapidly and for the benefit of the masses.

—“Indian Finance,” May 18, 1946.

Available for Sale.

MARKET INTELLIGENCE—1945

For the establishment of the Consumers' Movement on a permanent basis, it is necessary that Co-operative Stores should have upto-date market intelligence. The booklet now published by the Union aims at this object and may be of immense use to Co-operative Store. It contains useful information as to the centres of production or marketing and seasons for bulk purchase, etc., of important agricultural products, such as food grains, pulses and grains, fruits, household requirements, clothing and other essential commodities.

Price per copy is Rs. 0-5-0. Postage Extra.

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The Madras Provincial Co-operative Union,
Esplanade, Madras.

Working of Societies.

COIMBATORE CO-OPERATIVE PRINTING WORKS, LTD.

Review by the Registrar of Co-operative Societies.

I inspected the Coimbatore Co-operative Printing Works, Ltd., on 8-5-46. There were 322 members on the rolls of the society with a paid up share capital of Rs. 10,630 on 30-4-46. It is gratifying to note that there has been an increase in membership and share capital during the period.

2. The society has no borrowings. It enjoys a cash credit accommodation with the Coimbatore Nilgiris Co-operative Central Bank to the extent of Rs. 10,000. On 30-4-46, it had a credit balance of Rs. 12,729-9-0 under this head. It had to pay Rs. 278-4-11 to the sundry creditors while a sum of Rs. 4,389-12-0 was outstanding against sundry debtors.

3. I am glad to note that out of the total investments on 30-4-46 of Rs. 44,716, the investments under National Savings Certificates alone amounted to Rs. 18,800, while that under Reserve Fund in Coimbatore Nilgiris Co-operative Central Bank was Rs. 6,324-12-0. The society had purchased Central Land Mortgage Bank debentures for Rs. 2,800. The plant and machinery held by it were of the value of Rs. 15,404. The total reserves built up by the society out of the appropriations from profit amounted to Rs. 48,144-18-0.

4. The society purchased stationery and paper to the extent of Rs. 28,551. During the period from 1-7-45 to 30-4-46, it executed orders to the tune of Rs. 13,475. The value of stock of paper, stationery, books and forms is estimated at Rs. 17,000 on 30-4-46.

5. It is gratifying to note that the standard of printing is good justifying the slight increase over market rates charged. No proportion has been fixed in the by-laws between membership of societies and individuals. It is necessary to enact a provision in the by-laws of the society fixing the proportion between societies and individuals, say, at 60 : 40. The membership of societies should be increased, having the number of individuals fixed, till this proportion is reached.

6. It was represented that the area of operations of the society should be widened for the reason that societies in many districts are steadily placing orders. I am not in favour of this proposition as it is likely to vitiate the initiative of starting co-operative printing presses in other districts, where there are likely to be fair chances for the successful working of presses. However, till it takes a concrete shape, the Coimbatore Co-operative Printing Works will be allowed to take orders from outside its area of operations.

I would suggest that the management would do well to acquire a site cheap in the outskirts of the municipality and build the press premises, and also instal power-driven machinery so that business may be expanded on modern methods of industrialisation. Quarters for the regular staff may also be built adjoining the premises with necessary amenities. The society may, however, have a small office at the present place for taking orders, etc.

Resolutions

Passed at the First Conference of Co-operative Milk-supply Societies and Unions, Coimbatore.

I. Customers :—

- (i) "Resolved that every Co-operative Milk-supply Society or Milk-supply Union should increase its production and as far as possible arrange to take up the supply of milk to state hospitals and jails."
 - (ii) "This Conference urges the Government to dispense with the present practice of calling for tenders for the supply of milk for use in hospitals and jails and to issue orders directing the authorities to purchase their requirements directly from the Milk-supply Unions or Societies and allow a price not less than 10 per cent of the rate at which they supply to their customers."
 - (iii) "Resolved to request that security deposits should be dispensed with so far as the contracts by Milk-supply Unions and Societies are concerned."
- ### II.
- (i) "Resolved to request Government through the Registrar of Co-operative Societies that in Municipalities where schemes for distribution of milk to "priority consumers" are introduced, the contracts for the supply of milk should be given to the Local Co-operative Milk-supply Society or Union, as in the case of Madras City, subject to such modifications as may be necessary to suit local conditions."
 - (ii) "Resolved to request Government to examine the need for and take steps also to introduce similar schemes for supply of milk to "priority consumers" in major Panchayat areas."
- ### III.
- (i) "Resolved that every Milk-supply Union and Milk-supply Society should take immediate steps to increase the sale of milk to the public by door-to-door supply wherever possible through bottles (with discs) and through sale at depots."
 - (ii) "Resolved also to request Government to issue instructions to all Municipalities to construct permanent milk depots and for the use of Co-operative Milk-supply Societies, functioning in the towns for sale of milk to the public, free of rent."
 - (iii) "Resolved to request the Government to amend the provisions of the District Municipalities Act to exempt the vehicles owned by Milk-supply Societies and Unions from local taxation and any other tax or rate levied on such institutions."

RESOLUTIONS

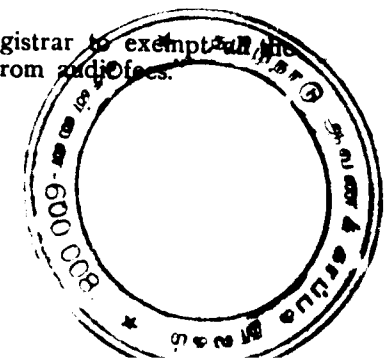
- IV. "Whereas the price of milk varies from town to town, this Conference is of opinion that each Co-operative Milk-supply Society or Union should continue to fix its own price, with reference to local conditions. As the main object of Co-operative Milk-supply institutions is to secure for the producer a fair share in the price paid by the consumers, it is resolved that the margin between the purchase and selling price of milk be fixed as low as possible not exceeding one anna per Madras measure."
- V. (i) "Resolved to recommend to bigger Co-operative Milk-supply Societies and Unions to purchase and instal pasteurising plants wherever their financial resources permit and also to use steam-cleaning apparatus for cleaning dairy utensils."
- (ii) "It is further resolved that Government be requested to give such Milk-supply Societies and Unions a subsidy covering the cost of dairy equipment, lands and buildings."
- VI. "Resolved that, in order to promote the breed of milch cattle, milk-supply unions to take steps to introduce schemes of milk recording and that the Government be requested to sanction subsidies to them as in case of the Milk-supply Unions at Tanjore and Chittoor to cover the cost of milk recorders, prizes, etc."
- VII. (i) "Resolved to recommend to Milk-supply Unions, to purchase stud-bulls, get them recognised under the premium scheme and make them available for cows owned by members for service"
- (ii) To carry on intensive propaganda among members to have their cows served by the stud-bulls maintained by them and to avoid indiscriminate breeding with non-descript bulls; and
- (iii) To employ stock-man compounder who can render all veterinary first aid and attend to the ordinary ailments of cattle.
- VIII. (i) "This Conference records its thanks to Government for the liberal provision of Rs. 4 lakhs made in the budget for 1946-47 for grant of interest-free loans to members of Milk-supply Societies and Unions and exhorts members of Co-operative Milk Societies to take loans and increase the milk-supply."
- (ii) "This Conference requests the Registrar to move the Government to relax the conditions laid down in the G.O. governing the issue of interest-free Government loans."

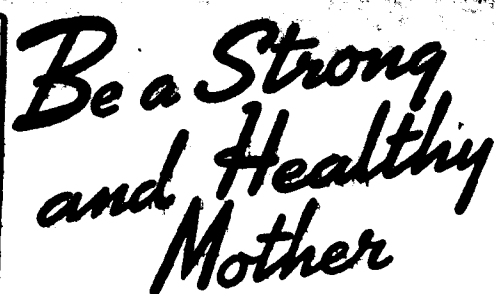
- IX. "The Conference feels that it is the duty of Government to promote dairying and milk-supply and therefore request that Government may be pleased to employ dairy experts for all bigger Co-operative Milk-supply Unions or groups of smaller unions."
- X. (i) "Resolved that joint purchase and sale of cattle feeds should be done invariably by Co-operative Milk-supply Societies and Unions."
- (ii) "Resolved that Co-operative Milk-supply Societies may amend their by-laws providing for purchase and stocking cattle feed in advance upto the extent of three times their paid up share capital and that the Registrar be requested to register such amendments."
- (iii) "Resolved that lands be taken on lease or whenever possible, purchased by Milk-supply Unions or Societies and cultivated with Guinea grass or Napier or Lucerne grass for cattle fodder."
- (iv) "Resolved to request the Government to issue instructions to the Municipalities and Local bodies to lease out the sewage farm on concessional rent and supply sewage water free of charge to Milk-supply Unions and Societies."
- (v) "Resolved that in view of the rise in the price of cattle feeds, Government be requested to purchase gingelly oil cakes, cotton seeds, bran and straw and sell them through Co-operative Milk-supply Societies at concession rates."
- (vi) "Resolved to request the Government to give higher priority for transport of cattle feed."
- (vii) "Resolved that Government be requested to grant subsidy to enable Co-operative Milk-supply Unions and Cattle-breeding Societies to prepare silage."
- (viii) "Resolved to request the Government to grant free grazing permit to animals owned by the members of Milk-supply Unions and Societies in Reserved Forest areas and Panchayat Forest areas."
- XI. (i) "Resolved to request Government to advise Municipal Councils to construct model cattle-sheds and yards and rent them out to Co-operative Milk-supply Societies and Unions and to make this a condition of their assistance to Municipalities for providing free milk to priority consumers."
- (ii) "It is also resolved that in non-municipal areas, Government may be requested to provide at least one model cattle yard and cattle shed for each Co-operative Milk-supply Society free of cost."
- XII. "This Conference is of opinion that the present levy of sales tax on Co-operative Milk-supply Unions and Societies will

RESOLUTIONS

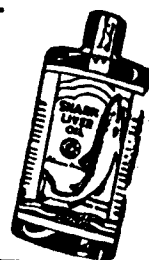
- thwart their working and impede their progress. As these institutions are assisting Government to establish quality control over a frequently adulterated commodity, viz., milk, this conference requests Government to exempt all Co-operative Milk-supply Unions and Societies from the payment of sales tax."
- XIII. "Resolved to request the Government to purchase outright good milch cattle and sell them to members of societies and unions at favourable prices as well as to help members of societies to purchase good milch cattle by obtaining priority permits to transport and license for import from other provinces."
- XIV. "This Conference requests Government to take up investigation and sanction of schemes that will go to strengthen the Dairy Trade, such as (1) manufacture of Dairy machinery and utensils, (2) manufacture of condensed milk and milk powder."
- XV. "Resolved to request the Registrar to frame suitable service and leave rules for the employees of Milk-supply Societies and Unions, in view of the peculiar nature of their continuous and strenuous duties on account of their ineligibility to avail of any Government holiday or the weekly holiday."
- XVI. "This Conference requests the Milk-supply Unions to accept as far as possible the milk supplies by feeder societies and find out a market for the same."
- XVII. "This Conference requests the Registrar to move the Government to alienate convenient poramboke lands or acquire suitable lands in villages where there are Milk-supply Societies in favour of the societies and also make the necessary grant for putting up buildings and milking yards on up-to-date and scientific lines."
- XVIII. "This Conference requests the Registrar to set model by-laws enlarging the Board of Management of the Unions so as to give more representation to the societies in the Board and limiting representation of individual members to one half."
- XIX. "This Conference requests the Registrar to see that as far as practicable the Unions are decentralized."
- XX. "Resolved that the Registrar be requested to address Government to grant a rebate on the cost of milk trucks purchased from the Military Department through the Registrar."
- XXI. "Resolved that there must be a representative in the District Food Committee representing the Milk-supply Unions as milk is an essential nation builder."
- XXII. "This Conference requests the Registrar to exempt all the Milk-supply Societies and Unions from audit fees."

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