

## TRADE ASSOCIATIONS AND CHAMBERS OF COMMERCE—

Notes on some comparisons between conditions  
in India and other countries

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### 1. *Introduction*

THERE is almost no comparative and analytic writing on trade associations and chambers of commerce to be found in social science literature. The recent increase in the information available for individual countries makes it possible to make a few significant comparisons and to discuss the political and economic meaning of some differences.

It is usual to define a trade association as an organization for mutual benefit, composed of independent business concerns engaged in the same kind of industry or trade and designed primarily to affect the conduct of that industry or trade. Similarly, a chamber of commerce is usually defined as an organization for mutual benefit, composed of independent business concerns operating in the same region and attempting primarily to influence the development of that region.

Trade associations and chambers of commerce, however, assume such varied forms that it is desirable to elaborate a little on these definitions and to point out precisely their differences from and similarities with other typical social formations.

A chamber or an association may undertake to serve its members in ways in which a separate firm would have done. A chamber or an association may, however, be distinguished from a firm that renders services to other firms by noting that the former involves budgetary administration and the latter involves profit-making. This is true only in simple cases. A chamber or an association may tend towards becoming a firm, or a co-operative, when it undertakes sales or purchases for members, depending on the rules and conditions on which these functions are undertaken. Its members would, of course, continue to be capitalist organizations and not shareholders. A comparison of simple associations may also be made with the cartels of inter-war Germany in which the locus of entrepreneurial decisions lay in the association rather than in the firm. The Russian Sornarkhozy have the same relation with chambers that cartels had with 'industrywise' associations, viz. the centre of certain entrepreneurial decisions may be located in the 'regional' Sornarkhozy rather than in the individual enterprise. The Yugoslav 'Chambers of Economy', 'technical associations' (industrywise organizations), and 'producers' associations' (which undertake production) are governed by assemblies elected from the workers councils of member enterprises and in turn elect a managing board