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# CO-OPERATION & RURAL WELFARE IN INDIA

BY

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To  
RAI BAHADUR DURGA PRASAD, M.A.  
Governor of  
The Bihar & Orissa Co-operative Federation Ltd.  
and  
Registrar of  
Co-operative Societies, Bihar & Orissa  
This Book  
is respectfully dedicated by the Author  
as a token of  
His respect and admiration for the  
Great Service  
He is rendering to the Cause of Rural Welfare  
as  
The Leader of the Movement in this Province.

## FOREWORD

BY

Rt. Hon. SIR HORACE PLUNKETT, Bart.,  
K.C.V.O., F.R.S., LL.D.

I am asked by the writer of this book to contribute "a few words by way of a Foreword." He is kind enough to say that my doing so will "enhance the value of the book", a statement I might hesitate to believe ; but he compels compliance by assuring me that this slight service "will give a great impetus to the cause we all hold so dear."

Why I personally welcome the book can be easily told. It is a sermon on the text *Better Farming, Better Business, Better Living*—words used by me many years ago when, at President Roosevelt's request I suggested to him a fitting formula for his Country Life Policy. Little did I foresee either the number or the quality of the thinkers on the modern problem of rural life to whom these simple words would appeal. Professor Mukherjee has earned the gratitude of his fellow-workers in the field of rural social endeavour by interpreting them in their application to the diverse human and material conditions of agricultural India. In effect he tells his countrymen and all now striving for their welfare that the centre of the problem is

Better Business and that Better Business is Co-operation.

Such, it seems to me, is the position which Professor Mukherjee takes up at the outset and sustains throughout his book. While I read it I wondered whether he recalled the declaration of H. M. King George V in 1911; "If the system of co-operation can be introduced (into India) and utilised to the full, I foresee a great and glorious future for the agricultural interests of the country." If I were to single out from the innumerable applications of this fundamental truth to Indian conditions contained in this book the two which impressed me most, I should give chief prominence to the writer's emphasis on "the custom-based foundations" of the village communities of India, now rapidly disintegrating. The spirit of these, he points out, was entirely co-operative, and it is the task of all working on the problems of rural life in India to keep this spirit alive, shaping it in a form suited to the changed economy of the country.

Other writers, such as Henry W. Wolff and Sir Frederick Nicholson, have surveyed agricultural co-operation in Europe from Ireland to Russia. Mr. Mukherjee's survey of the West is just as wide, but it may be doubted whether any other Indian investigator has applied the experience gained to such a variety of situations in his own country.

To the outsider the book is extraordinarily informing and suggestive. It shows how co-

operative workers have special difficulties to face in every country. One of India's special problems is the illiteracy of the peasants. There we meet with hundreds of co-operative societies "where there is not a single member who is literate", and that is why Mr. Mukherjee devotes so much space to primary education, a subject which he has studied deeply in its relations to Indian rural life and on which he offers some of his most valuable suggestions.

I hope that the book will be widely read both by the people of India and their friends abroad. They will not be disappointed.

HORACE PLUNKETT,

The Horace Plunkett Foundation,  
10, Doughty Street,  
London, W.C. 1.

## PREFACE

This little volume has developed out of lectures delivered from time to time at Agra, Motihari and Muzaffarpur. It is an attempt to draw the attention of all students of Rural Economics to the great services which Co-operation can render to the cause of Rural Welfare in India. The author has tried to apply to Indian conditions, Sir Horace Plunkett's great formula of Rural Reconstruction and it is his firm conviction that if this formula is persistently kept in view by the workers, their efforts will be crowned with success.

The author can not find words to thank the Rt. Hon. Sir Horace Plunkett Bart adequately for the great pains he has taken in going through the MSS and for the great honour he has done him by writing a Foreword.

The author has great pleasure in acknowledging with thanks the encouragement which his teacher Principal W. V. Duke, M.A., I.E.S., has invariably given him in his studies. He further offers his sincerest thanks to Mr. N. K. Roy, Deputy Registrar of Co-operative Societies, Orissa and Rev. J. Z. Hodge of Motihari for their suggestions and to Messrs. Sisir K. Mukherjee, M.Sc., and Salil K. Mukherjee for seeing the book through the Press.



He is very much indebted for valuable suggestions to the books of Dr. Howard, Dr. R. K. Mukherjee, the Hon. Mr. Ramadas Pantulu, Mr. F. L. Brayne, I.C.S., and of other workers in the field of Rural Economics.

B. B. M.

## CHAPTER I

### THE PROBLEM OF RURAL WELFARE

“Better Farming, Better Business and Better Living” sum up the ideals of rural life. Better Farming means the application of modern Science to the practice of agriculture. Better Business is the no less necessary application of modern commercial methods to the business side of the farming industry. Better Living is the building up, in rural communities of a domestic and social life which will withstand the growing attractions of the modern city. It consists in enabling the villager to enjoy all the best fruits of life and to develop all his latent qualities so as to increase not only his individual happiness but also the communal good. “Rural reconstruction” or “Rural uplift” implies that we had them in days gone by, that we lost them and that we should regain them. “The only method of regain-

ing them and of securing Rural uplift is by the organisation of the economic life of the country on a Service basis which will eliminate exploitation though usury, profiteering and rack renting" and by the provision of a method of work which by its very insistence on local association, local effort and mutuality may give a free play to the God-given talents of man and evolve a social life which will vibrate with the spirit of service.

The need for Better Living in our villages has never been so imperative as now. With the development of an individualistic philosophy, with a change in our economic outlook and by the introduction of new forms of administration India stands today at the cross-roads. In politics in India there has been a succession of new parties, none of which reflects the peasant's angle of vision. New institutions and methods have been introduced which may not fit in with our agricultural civilisation. In India, democracy must be based on the land, and our politicians must sooner or later realise the fact that

no scheme of political reform will be suitable or satisfactory which does not utilise the village organisations as the bedrock on which alone a true and democratic edifice can rest in India.

The Indian village is undergoing a rapid transformation. It has left its old moorings and is gradually drifting away. The custom based foundations of the old village community gave it a stability to which it had got itself well adjusted, hence it is that the shock and jar of the present upheaval are being so keenly felt. In the old economic order, each village tended to be self-contained, in each village were found some persons with permanent rights in the land either as owners or tenants with hereditary occupancy rights, of these some cultivated all they held, others rented out to tenants on a yearly agreement a part or whole of their lands, below these were the agricultural labourers who worked in others' fields. In almost every village there were artisans, carpenters or blacksmiths who supplied and repaired agricultural imple-

ments. This organisation was well suited to the principal industry of the village, viz., agriculture, all other interests being subordinated to it. The village services were rendered by people who received their remuneration in the form of shares in the produce of the fields. The outlook was entirely co-operative with a community of interests bringing about a homogeneity and compactness which it is fast losing to-day.

The various types of villagers, the blacksmith, the carpenter, the watchman, the landless labourers and even the village Schoolmaster all looked up to the fields for its produce and a good harvest meant prosperity not only to those who produced it but also to these people who indirectly contributed to its production. The village festivals and pastimes too had an agricultural colouring and these too served to preserve the community of village life. The social organisation of the village also, promoted this object. The joint family system ensured the stability and solidarity of the different units composing the

village body-politic which was further consolidated under the rule of the Panchayat. The influence of the economic forces of the present age has changed all these. The villages are decaying and its main industry agriculture has ceased to be remunerative while owing to a rise in the standard of living and the multiplication of wants, the economic condition of the cultivator is gradually becoming worse. The decay of the village is not so much the result of a strong wave of urbanisation by which the towns are expanding in number and size at the expense of the village. The census returns do not warrant such a conclusion. The real problem is not that the country is going over to the town but the town is knocking at the doors of the village. The gravity of the danger cannot be appreciated by a mere quantitative estimate of the exodus from the village to the town but by noticing how the town influence is slowly but surely permeating the village and is unsettling its old institutions and the beliefs it had held dear and preserved

through many centuries. There is going on an imperceptible cultural invasion of the village. The urban civilisation admits of a diversity of interests and ideals and its object is to bring about an adjustment of these through competition and elimination. The town dweller is a believer in the ideal that in the struggle for existence, the strong is constantly fighting with the weak and in this competition, the stronger will prevail. He holds to the faith that the efficiency of the Community can only be increased by the process of eliminating the weak. Hence he has set up his institutions on this foundation. The capitalistic organisations are constantly carrying on this process of weeding out, and while the rich is becoming richer, the poor is getting poorer. This ideal is entirely opposed to the rural ideal of efficiency by combination, it is entirely foreign to the land based homogeneity of rural life. This urban influence is gradually coming over to our villages, and in this clash of ideals, in this conflict of outlooks much waste

and destruction have been caused. The rural instinct of mutual dependence has gone, and in its place we find to-day mutual distrust and its direct result is litigation and ruin. In place of the old village pride, we find the village to-day bristling with petty feuds and mean quarrels arising out of the petty pride and jealousies of individuals. The attention of the entire village is no longer concentrated on the land and its development. This is due to the fact that the villager knows that he has other avenues of employment outside the village, he is conscious of the fact that the food centred economy of the village has passed away and in its place he has got from the town a money hued outlook. So long as he has purchasing power, so long as he has a sufficient supply of money he need not depend on the precarious supply of the produce of his lands as he has the capacity to purchase his food and satisfy all his wants.

This is the nature of the problem we have to tackle in any effort to improve the



village life. Improvement will consist in being able to preserve this homogeneity of rural life, this characteristic feature of rural culture. The problem is not merely an agricultural one, it is not merely a case of how to grow two blades of grass in place of one. It is not merely a case of improvement in rural sanitation as to how to prevent the outbreak of epidemics, as to how to keep down the rate of plague mortality. It is not merely a case of the improvement of the breed of cattle, their milking and working capacity. It is first and last a case of education, education not in the sense of gathering a mass of information about the various Sciences and Arts, but a real education which broadens the outlook of the villager, which preserves the inherent characteristics of rural culture, which helps to maintain its innate beauty and simplicity and which helps to withstand this invasion of an Urban culture which is quite foreign to its ideal. This education, if properly planned and executed will infuse strength and purity in village life and will bring

about a revival of the village Community, whose disintegration we are all mourning.

Rural development has for a long time arrested the attention of the Government as well as the Public, and various attempts have been made from time to time to study and improve various aspects of rural life. The present Constitution, by formally transferring the various nation building departments to the control of the people through the Ministers has given statutory recognition to the need and importance of nation building by improving and consolidating the rural agencies. The departments of Agriculture, Co-operation, Industry, Public Health and Education are trying their best to improve the villages from their respective points of view. The department of agriculture has established central farms from which officers are sent to the various Districts to instruct the villagers to improve their methods of cultivation, from which new varieties of seeds are supplied to the cultivators and new ideas about agriculture are diffused.

Government has spent large sums of money in agricultural research and improvement, but everywhere the result has not been very encouraging.

What has been said of the Department of Agriculture applies equally to the other Departments. The Health Officer visits the village and preaches the virtues of cleanliness and impresses on the villagers the necessity of inoculation against epidemics. He may carry out a thorough cleaning up of the village during his stay, but as soon as his back is turned, they go back to the former state of things and the village begins to accumulate a greater amount of dirt and filth. The co-operative Credit Society has served to lower the rate of interest in the villages and to give financial aid to the cultivator in times of need, but its constitution is such that it has not been able to attract the better elements of the village, while it has taken the cultivator along with it only for a short distance and has left him there. As soon as the ryot's financial position improves he is anxious to leave

it and go back to the former state of things. The Co-operative Society has not yet been able to acquire a definite place in the rural economy and it has not been able to supplant the village Mahajan and the Bania.

All these efforts have been rendered barren owing to a dead weight of ignorance and indifference and everywhere the human factor has proved to be the greatest obstacle in the path of progress. It must be remembered that agricultural development or improvement in rural sanitation requires intelligence and care and for success something more than the mere conversion of the individual is needed. The new methods must be given a permanent place in the rural economy. If the level of Education is not raised, if this load of ignorance is not lightened it is impossible to achieve lasting results by mere demonstration. "Without the general enlightenment which follows education, a fresh beginning will have to be made with each succeeding generation and no secure foundation for future pro-

gress will be laid. It is not sufficient to apply science to the problems of Indian Agriculture and to bring the results to the notice of the people. This is only half the battle. The people themselves must desire to make effective use of the results and to improve their general education." In other words they must be educated and must be taught how to think for themselves, how to read for themselves and how to act as an intelligent and progressive Community.

Besides these Departments, we have a number of local bodies such as District Boards, Local Boards and Union Boards which are entrusted with this work of rural development. These bodies are running schools, constructing and repairing roads, affording medical aid and in various ways are contributing to the material and moral welfare of the people. They have to maintain a staff to carry out and supervise these activities. The Co-operative Banks are also engaged in some of these activities in a moderate scale in their own areas of operation. The

Agricultural Department, the Public Health Department and the Industries Department all maintain separate staffs for their respective works. A considerable amount of money is spent in the remuneration and travelling expenses of the Supervising Officers employed by all these departments and these local bodies which could be reduced by a proper co-ordination of these different organisations.

Rural development has to be surveyed as a whole, studied as a whole, and dealt with as a whole. In a country like India which is suffering from the manifold evils of the fragmentation of holdings, there has been what Dr. Howard calls a "lamentable fragmentation of effort" which has caused not only a great waste of the funds of the various organisations but has also deprived the movement of rural uplift of its effectiveness. Moreover the horde of the officials who now deal piece meal with the problems of the villager is more likely to exasperate than to rouse him from his present attitude of indifference to all forms of progress. As

we have said, one of these visits deals with co-operative credit, a second with improved seed, and new implements, a third man comes to inoculate the cattle against rinderpest, a fourth inspects the village school, a fifth preaches the benefits of better sanitation and the advantages of dispensaries and so on, in addition to the non-official election canvasser of some aspiring politician, or the agent of some town physician or town lawyer. All these are attached to independent departments between which there is often little or no connection. How much more could be done with the same amount of money if rural uplift could be looked at as a whole and if the work could be conducted by a single efficiently staffed department working on a well-considered plan with an eye to future as well as to immediate developments. But the efforts of this Department would not bear the desired results till the desire for self-improvement is stimulated in the villagers, till the villager is educated enough to be conscious of the benefits, material and moral, which these

activities are likely to give him. The attempt to bring about agricultural and industrial development in the rural areas, where the desire for Better Living has not been created by Education, is as futile as the expectation of getting a good crop from a soil which has not been perfectly ploughed and well-manured. Education must prepare the ground for any scheme for rural development.

Thus, we find that Education affords the only lever which can pull up the village Community. This education must be so planned as to fit in with village life. The problem is to devise a system of education which will stimulate the villager not to flee from but to uplift village life, to strive for self improvement instead of merely running away to the towns. It must be such as can change the whole outlook on life of the villager and and raise him above the petty squabbles and jealousies born of mistrust and make his mind receptive of all things good and noble. You talk of agricultural improvements to an agriculturist and he is not at



all impressed. Why? Because he has not realised what he will do with the increase in his income resulting from the improvement you propose. He must have before him a notion of the happiness which is awaiting him, Education must be able to create the ambition of a better life for which he will toil and which he may hope to attain. What do we get now? A bumper harvest is followed by an increase in litigation, good prices only induce extravagance in social ceremonies, and in many cases, in intemperance. Till you can inculcate in the mind of the agriculturist a craving to improve himself, till you can teach him to realise the greater happiness that is awaiting him do not injure him by talking to him of agricultural improvements, for this increase in his productive capacity will be a grindstone round his neck drawing him downwards. So educate him first of all.

That the present system of rural education leaves much room for improvement has long been recognised. Mr. A. Mayhew, late Educational Commis-

sioner with the Government of India has thus remarked in his book "The Education of India"—"The political, economic and cultural advance of India depends largely on a type of elementary education that will ensure, within a measurable period of time, a standard of literacy in the industrial and agricultural population similar to that which prevails in the most advanced parts of Europe, and that will so alter their outlook on life as to enable them to co-operate intelligently with the Government, to assist in the organisation of India for the production of wealth, to derive a higher and more rational kind of enjoyment from their indigenous culture and to connect that culture more closely with ideals of morality and social service." The school must have a rural outlook and the courses it teaches must promote the culture of the village, so that Education may develop into a Community function. It must be admitted that this Education cannot be confined to the teaching of the 3 Rs. but a definite relationship must be recognised between the com-

munity economic function and the community educational function.

It has to be recognised that the educational requirements of all classes of villagers are not the same, a member of the middle class wants his son to go in for a purely literary education while the poor cultivator or weaver or blacksmith may remain satisfied if his son gets such an education which will enable him to develop his father's business or trade in addition to the widening of his outlook. But the weaver's son or farmer's son, after receiving a school education is no longer willing to join his father's business but is anxious to secure a clerkship in a Government or mercantile office. Hence it is necessary to have two types of rural schools. One with a three year's course for those who want literary education and the other with a longer course for those who want their sons to follow their own professions. Education requires money and for the spread of primary education many local bodies have levied a special tax. This

money is secured through the development of economic functions. It can be well asked —“How can the rural community stand the drain that is to be made upon its resources by the constantly increasing demand for local education.” The cultivators have a right to demand that a “Community School” shall have a practical effect in increasing the wealth of the Community and if the wealth of the Community is increased, the educators have an equal right to demand more financial aid from them. A particular area has a very inferior variety of sugar cane. If the school farm can succeed in replacing it by a better variety, the added wealth then is the result of the new type of school work. A cultivator has purchased a water-pump for irrigation. It goes out of order in the midst of a busy watering season. The mechanic has to be brought from a distant town to repair it. It means cost and delay for the farmer. If the village school undertakes to do it or if he himself had received that training in his village school, the work is done without

much expense and the crop is saved adding wealth to the Community. I do not mean that the school of the type I am suggesting will confine itself to these only. Let the general ground work of a Common School education be given in addition to training in these Community services, but this general education should not also be dissociated from the rural environment. In his wonderful little book on "Village uplift in India," Mr. F. B. Brayne, Commissioner of Gurgaon, has described a school he saw in a dream—"The village school was a jolly place. How clean and cheerful and intelligent were the children and how keen on their lessons and games. The lessons seemed always to be drawing their attention to the fields and crops and things that were very useful to these farmer's sons, instead of telling them that London was on the Thames and Jupiter had five moons. The shelves were covered with all sorts of models of insects that helped or harmed the crops and there were samples of the various kinds of wheat and other crops." That is the type of a school

we want,, because the school is a great force in preserving the unity and solidarity of the Community. Under natural conditions, a Community is an association of families comprising persons at these different periods in life. This is necessary in order that the Community life be well-balanced. But with the coming of the demand for a higher school education, where the Community does not meet the demand adequately, those boys who are between the ages of 14 and 20 must leave it and go to towns, thus robbing it of one of its vital parts, and so undermining its strength. As a result of the absence of the youth from the village, there is a greater demand for hired agricultural labour to perform the work that the cultivator's boy would have done and a gulf is created between the children and their elders between the life in the village and urban culture which the farmer cannot easily pass over. Hence where one's education is not considered complete for success in ordinary life without 4 years in the High School, local solidarity demands that the

Community should supply such an institution. If it fails to perform this function, it robs itself of such a vital factor that in a few years its weakened condition from this cause alone will place it among those usually spoken of as "dead communities."

The School has also to tackle the problem of educating the adult, as though the improvement of the education of the child is indispensable for the future, it cannot affect the present situation and if it is not to be supplemented by a determined effort to spread adult education many of the improvements in agriculture which we so earnestly desire to see must be postponed until a new generation has sprung up fitted by primary education to reap the advantages we seek to place within their reach. In addition to its influence by enlarging the scope of the cultivator's horizon and by increasing his willingness to adopt agricultural improvements and his capacity to watch over his own interests, it will stimulate the spread of primary education amongst the youth of both sexes. The

school will open classes for the adults in the evening and try to give them courses not so much in general education but on particular subjects which are likely to interest them. During the off season when the cultivator has no outdoor work to do, he may be induced to come and attend a special short course for him on a subject which may prove remunerative, viz silk rearing or silk spinning. In short the school will be the centre of his activities as there he will see experiments being carried on in improving the crops he is growing under the same conditions and by his own children.

From what has been said above it will appear that the school will cover a wider course than the present ones and for the proper carrying out of the ideals laid down, teachers of a superior type will have to be employed and the cost of running such schools will not be very small and considering the present state of the provincial finances it might be considered impracticable. The history of School Education of the United States of America



might teach us a lesson. Before 1865 there were all over the United States, numberless small, ill-kept, illventilated schools in which attendance was irregular and in which the instruction was imparted by persons who could hardly be expected to succeed as teachers. Gradually these schools lost all popular support and the attendance dwindled down. In 1865 the reform of this system of education was seriously taken up and a law passed by which these small schools were abolished and they were replaced by bigger, better managed central institutions and suitable arrangements were made for the transport of the children from their homes to the school and back. Since then consolidation has progressed in 32 states of the Union. Almost everywhere the children are brought to the school from the outlying areas in four-wheeled waggons provided with side ventilation and a roof. These are supplied by the local authority and are worked by contract. In the consolidated schools it has been possible to employ a large number of teachers, to maintain

classes of the proper size and to extend the curriculum. The great gap between urban and rural education has in this way been reduced. There is no reason why this policy of consolidation should not be followed in rural India. Here too in place of a large number of inefficient schools, a smaller number of Central and well managed schools can be started. Under such a system the cost of keeping the school buildings in repair, of supervision and of inspection would be considerably reduced. One school can serve villages up to a distance of 5 miles as with tolerably good roads the bullock carts can easily carry boys to and from the school without any difficulty. The carts should be presented by the village and maintained by the school. If by consolidation, the number of schools is reduced then the District Board will be able to spend more per school per annum which amount with a similar contribution from the people themselves should be sufficient for the purposes of the proposed school.

The success or failure of such schools

depends to a considerable extent on the skill shown in the selection of the right type of teachers and in their training on proper lines. The school-master by reason of his exalted position has all along been the natural leader of the village community in India and he plays the same role as the village parson or the country squire plays in the English rural economy to keep the fire of culture burning. "As the amount of his influence in the village will largely depend on his standing with the cultivators, it is essential that he should be drawn from the village itself and that he should live, dress and speak like the people among whom he will pass his life." He should receive a careful training in community work either at the Guru Training School, or at special Rural Economy Institutes. We have in India two brilliant models in the Moga Training class and the Rural Economy school at Gurgaon. "At Moga in the Punjab the Presbyterian Mission has evolved a scheme for the training of the teachers in Community work and

service where they are taught to participate in the healthful activities of village life and to put their hands to practical use in whatever way they can." The object of the Gurgaon School of Rural Economy is to bring rural teaching and uplift work in line with village life. It tries to teach the dignity of labour and to instil the idea of service, the desire to help one's self and other people and then to convince the villagers by the actual instruction given that we have a complete remedy for all the evils of village life. Among the subjects taught are Practical Agriculture, First Aid, Infant welfare, Public Health, Village Sanitation, Stock breeding, games, singing etc. The teacher may serve to be the guide, philosopher and friend of the people, spreading the gospel of Co-operation, urging on the villagers the necessity of moral and material improvement and holding before them the prospects of a Better Life.

Bound up intimately with the Community educational function is the community economic function in a complete

scheme of rural uplift. The farmer must receive the maximum return from his land and secure ample value for it in exchange, in other words, the rural community must function properly in production, as well as in marketing and in securing supplies. Rural finance as a community function is based upon the fundamental value of the farm land and the farm enterprise and the mutuality of responsibility that is possible only among neighbours in an agricultural locality. In India we have already begun to make use of mutuality or organised community spirit as a credit value for the development of local enterprises. Co-operative Societies have started a work which with proper readjustments of its machinery can help the country-side to speed up and give a great impetus to village uplift work. The great Italian Co-operator Luigi Luzzatti declared—"The rural bank, which arose without capital, rich only in its invisible treasure of mutual trust and solidarity, is the fruit of the modest, unrecognised virtues of the country folk, bound together by

bonds of mutual affection, who assist and watch over each other with the subtle vigilance of neighbours. And lo and behold, these humble folk, void of economic lore, have accomplished a miracle, due to the fact that that a moral and not a material impulse guided their work; the miracle of creating capital out of nothing. They have succeeded in coining their simple good faith and their honour, and in transforming into concrete credit, so rebellious to all idealistic considerations—promises of payment guaranteed only by their obscure immortal souls.” That the co-operative credit society has come to stay in India is evidenced by the fact that India to-day has about 67000 agricultural societies with two and a quarter million members and their total working capital exceeds 24 crores of rupees. The Society affords an excellent training in the handling of money, in expending it on productive purposes and in the elements that combine to build up sound credit. It readily lends itself to organisation for mutual help throughout the country-side

and wisely guided, it encourages and stimulates the practice of thrift and illustrates vividly the advantages of even the smallest savings when they are made regularly over a series of years. It may claim to have succeeded in providing a large amount of capital at reasonable rates of interest and in organising a system of rural credit which, carefully fostered may yet relieve the cultivators of that burden of usury which he has borne so patiently through the ages.

Though the movement can fairly claim to have achieved all these, it is expected to achieve greater things. It is at present furnishing cheap credit to the small agriculturist but leaving him to the tender mercies of the Bania and the Bepari hence it has not yet been able to secure a definite place in the village economy. The defect lies not in the movement itself which affords the best method of bringing about rural uplift, but because the ideas of a better life had not been instilled into the minds of the

villagers who were not conscious of the good which Co-operation was to confer on them. The structure was set up before the ground work was ready. The genesis of the movement in India illustrates once more the fragmentation of effort to which we have referred before. The burden of rural indebtedness was increasing and famines had become chronic. It was felt that the best method of reducing this burden of indebtedness would be the provision of cheap credit. The Co-operative Act of 1904 was a measure essentially to give financial aid to the "small man," to the small cultivator. The machinery it brought into being certainly helped to give him temporary relief, to bring down the rate of interest on loans and to save for the country a mass of capital which but for the existence of this machinery would have been frittered away in extravagance. But it has not gone any further.

This is because the sponsors of the Movement in India completely ignored the indigenous forms of Co-operation. "In India, the village Communalism has been



far wide spread, and the common pasture, the rights of grazing and cutting fuel, the collective management of irrigation, Communal employment of village artisans, servants and functionaries, the maintenance of a common village fund—all these still testify to the persistence of ancient and essential co-operative traditions which are unique. In Japan, Russia, or Italy, the success of the Co-operative Movement is chiefly due to the fact that the ancient system of co-operation of peasants or artisans has been fully utilised by the new movement." That is why it has not promoted village development, it has not made the village Bania and the village Bepari unnecessary, neither has it drawn to its fold the well-to-do people in the villages, people who can be counted upon to exercise a healthy influence in bringing about village uplift. The societies to-day are mainly composed of persons who, when they joined it, were struggling under mortgages on such terms that they were in constant fear of losing their earthly possessions. The richer people have held

aloof frightened by the principle of unlimited liability. Is it not possible to include them also in the Society by having limited as well as unlimited liabilities in the same society, the loans given being regulated in proportion and with reference to the liability offered by the members. This might result in some places in the richer people dominating over the poorer members but this can be checked if the supervision of the financing agency is effective.

The co-operative society in order to be effective must perform the same functions in the village which are now being performed by the village Bania and the village Mahajan, in other words, it must help the member to improve his economic condition, increase his productive capacity by enabling him to purchase articles of necessity at the cheapest rate and to sell his produce to the best advantage, besides giving him the advantage of cheap credit. This is what the village Bania is doing in the village and unless we can afford all these facilities to the member, what he

gains in the shape of a lower rate of interest, he suffers a greater loss in having to pay a higher price to the Bania. Besides this, what benefit can the farmer derive from agricultural improvements if he does not get a fair price for his produce.

The rural community which increases in a large measure its production but does not function properly in marketing, may bring itself an injury rather than a benefit, while the successful combination of the production and marketing functions depends upon adequate provisions for securing supplies. Thus we find that it is imperative to change the type of our societies. The single purpose society does not serve all our purposes and it cannot bring about the economic improvement of the members, instead of stimulating it may have a tendency to retard the progress of village uplift. We require in its place, a society which will combine credit, sale, and supply, all these activities within its fold. It must be understood that the ability of an agricultural community to pay for cultural things will depend

upon the amount of money which it receives for what it sells minus the amount of money which it pays for what it buys from outside the community. It is on the balance of money in the community as the result of these functions that it can support schools, contribute to the other social institutions necessary for rural uplift. Success in this regard will then require that the community shall so produce and market as to bring in the largest possible amount of money in exchange for the things that are necessary to keep up the economic process properly. From this standpoint it becomes a civic duty of the local people to eliminate wasteful processes of distributing supplies and also of marketing the commodities. It is not desirable to have in one village, a number of societies, composed of the same set of men performing these functions quite independently of one another. It is uneconomical and vexatious. The management of such an all purpose society, I have just suggested cannot of course be left to the average

Sarpanch of our societies but if we have the community school in existence, the school staff will be of immense assistance in taking the leadership and control in these societies and with adequate help from the Central Banks, I do not think it impracticable. The Central Banks too will have to undertake the duties of wholesale and supply societies with adequate financial assistance from the Central Banks should be started. Here also it is necessary to emphasise the need of consolidation which fortunately, the Co-operative Department has at last recognised.

Thus we find that Rural uplift consists in preserving, the genius of the country-side from the disintegrating influence of urban civilisation. It can best be achieved by developing in the minds of the cultivators a consciousness of self-improvement, by holding out before them the hope of a better life. This hope of a better life will succeed in stimulating them to action, because "hope, not fear, is the creative principle in human affairs."

Education must be ruralised and well-planned central rural schools will not only contribute materially to the cause of rural uplift, but will help the villagers to evolve a new rural civilization. The teachers will act as leaders of the village and will initiate all activities calculated to bring about their moral and material regeneration. This problem of village uplift must be taken up as one problem and the Government and the people should join together in solving this problem, not piecemeal, not by doles, but the problem as a whole. The best machinery for effecting this is the Board, which the Bihar and Orissa, village Administration Act of 1922 has created. The Union Board is entrusted with all matters connected with (1) conservancy and sanitation, including drainage, of the local area and the prevention of public nuisances therein (2) the supply of drinking water, (3) the construction and maintenance of roads, foot paths and bridges within the local area, (4) the charge, maintenance and management of existing primary schools and the establish-

ment of new primary schools (5) the maintenance of existing dispensaries and the provision of other forms of medical relief and (6) "any other local work of public utility likely to promote the health, comfort, convenience, or material prosperity of the public, including the development of agriculture and village industries." In short, the Union Board, if properly utilised, can be made to carry out the entire programme of rural reconstruction. The Union Board may have schools of the type suggested at important centres with small agricultural farms attached to them. With the assistance of Officers of the Departments concerned it will improve the sanitation of the villages, provide for medical relief and construct good roads. It may inspect the co-operative societies in its area and act as Supervisory Unions, and in some cases, the financing Central Banks may sanction loans to societies on the guarantee of these Boards. It is necessary to conduct a campaign for rural uplift and educate public opinion all over the country. A

Central organisation for the study of Rural problems should be organised and District Committees should carry out its suggestions into actual, practice through these schools, which will serve as the local centres for rural uplift. The co-operative society by performing all the economic functions of the Community will not only increase its wealth, but will enable the members to contribute adequately to the funds which will be necessary to bring about any real improvement in the rural outlook through a well concerted system of rural education, "which should not aim at a passive awareness of dead facts, but an activity directed towards the work that our efforts are to create. It should be inspired, not by a regretful hankering after the extinct beauties of India, but by a shining vision of the society that is to be, of the triumphs that thought will achieve from time to time and of the everwidening horizon of man's survey over the Universe. Those who are taught in this spirit will be filled with life and hope and joy, able to bear their part in



bringing to mankind a future less sombre than the past, with faith in the glory that human effort can create.”

This task of bringing about a regeneration of the country-side and the evolution of a new rural civilisation is quite formidable and success will come only after many failures but that should not discourage us. What is required is a well thought out plan of action and the consolidation of efforts and in course of time the desired goal will be reached.

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## CHAPTER II.

### BETTER FARMING.

“Man’s relations to his environments are infinitely more complex than those of the most highly organised plant or animal.” Hence no study of man and his activities can attain perfection unless he is studied in the proper setting. Man is engaged in constantly being moulded by it. His attempts to conquer nature, not often result in a partial surrender to her. Therefore we must observe and analyse the physical background so as to find out the real nature and import of the manifold activities of man.

The most important of human activities is certainly the effort to satisfy hunger, i.e., the acquisition of food. This acquisition was done by the nomad by hunting and digging up roots and herbs, a rather precarious state of existence which does not conform to the advance of civilisation in any form. The next stage

of development is reached when mankind abandons its unsettled life and the constant wandering in search of food and settles down to a more sober and stable existence, engaged in the utilisation of the fund of fertility which Nature has bestowed and in the extraction of food from the soil. Thus begins the increasing conquest of Nature by man, but, as we have said before, in this attempt to influence Nature, man is no less influenced in return and his activities are circumscribed within the limitations which nature presents before him. The methods of cultivation, the crops to be grown and the other details connected therewith are directly influenced by the physical environment which it is not easy to alter. Land, therefore, forms the most valuable gift which man has received, and in comparison to the other resources hidden in the bowels of the earth or under the water of the seas, it directly and indirectly, is the main spring of all our activities. We derive our food, our clothing, our habitation—all from land. Industries depend consi-

derably on agriculture for the production of raw materials and the failure of crops has often a serious effect on the industries depend upon it.

India long ago recognised the importance of agriculture and our ancient literature is replete with reference to the different agricultural practices. The Rig Veda contains several hymns addressed to the Rain God or to the River Deities praying them to increase the fertility of the soil and to accelerate the growth of plants. Glimpses of agricultural life can be found in the verses depicting the ploughing of the field by ploughs drawn by the oxen who had to be driven to work by goads. The post Vedic literature records the gradual development of agriculture with the further expansion of the Aryan Settlement towards the East. The accumulated experience of centuries has been crystallised in the agricultural proverbs and sayings which guide even now the illiterate agriculturist in his daily work on the field. The truth of some of these sayings is gradually being realised and re-estab-

lished by the researches of scientists and scholars. A popular saying attributed to the rural economist Ghagh runs to this effect. "If you put up ramparts round the field and dig up the surface ten times then take ten maunds of grain per bigha." This refers to the provision of grass borders to the plots to prevent soil erosion which is now being advocated by the Pusa Agricultural Institute.

Three factors have mainly contributed to the agricultural destiny of India,—(1) soil, (2) climate, (3) racial temperament. The early efforts of the Aryan settler to solve his food problem might have taken a different turn just as they did in Europe, but for the presence of a soil which was peculiarly responsive to the least activity of man in cultivation, and the favourable climate which made industry arduous and difficult while it fostered cultivation. Both of these physical factors worked upon the Aryan mind and effected a psychological transformation.

The plant, unlike the animal, is fixed and depends for its development on the

food it can secure from the inorganic world. The roots gather food during their downward course while the leaves and branches derive food from the atmosphere surrounding the plant. Hence the development of agriculture depends on the composition of the soil as well as on the meteorological conditions.

India as a whole has a wide variety of soils, the chief of which are (1) Alluvial—Soil of this type is the product of the agencies of rain, frost, wind and water which break up rocks and deposit the particles elsewhere. The action of the rivers of India in the destruction as well as in the formation of land, is mainly manifested in the creation of the most fertile Indo Gangetic Valley, Indus Valley, Godavari and Krishna Deltas. The alluvial soil extends almost over the whole of northern India excepting the deserts of Sind and Rajputana while in Southern India it is found along both the coast-strips skirting the Eastern and Western Ghats, particularly in the Deltas of the great rivers of the Deccan. "In northern

India, the soil presents a wide variety, at places, it is met with in the form of drift sands while elsewhere it is nothing but sticky clay which prevents the percolation of moisture as the interstitial space is very small, and renders the soil barren due to the accumulation of some injurious salts on its surface." The alluvial soil has a brown colour mostly in the Indo-Gangetic plain, and it extends to a fairly good depth, so that it ensures a sufficient fund of natural fertility. The presence of a large percentage of potash and lime, with a moderate rainfall, renders the cultivation of a variety of crops possible. Hence we get two crops in the year, viz. the Monsoon or Kharif and the Winter or Rabi crop.

With the exception of patches of rich alluvial soil on the two coast strips of Southern India, the soil of the Deccan is mainly of trap formation, varying very much in character and fertility. The alluvial tract of Northern India is a flat, unbroken and extensive plain while the Deccan trap is undulating and broken,

having but poor fertility. The best soil, however, is the black cotton soil, formed by the accumulation of the alluvial deposit, extending in some of the river valleys, e.g. the Tapti and Godavari to a depth of 15 to 20 feet. The intense density of the soil renders it unworkable and water logged during the monsoon, hence excepting in heavy soils only one crop can be taken out of it, during the Rabi season. The soil grows cotton, jowar, wheat, linseed etc. A peculiar feature of this soil is the formation of numerous cracks due to evaporation in the hot weather, which has given rise to the saying—"Black soil ploughs itself." Black cotton soil occurs mostly in the Districts of Surat and Broach in Bombay Presidency and Bellary, Kurnal, and Cuddapah Districts of Madras Presidency. The third class of Indian soils, crystalline, baffles any general description owing to its numerous local peculiarities. It occurs in Bombay, eastern portion of C. P., Orissa and Chota Nagpur in Bihar and Orissa, Birbhum and Bankura Districts of Bengal, Mirzapur, Jhansi and



Hamirpur Districts of the U. P. and some states of Central India. Where, as in Mysore, the soil is light coloured it is devoid of fertility, but the lowlying patches of red or brown coloured soils are highly productive. With irrigation, rice is cultivated in this soil, which is also suitable for fruit cultivation, e.g. of mangoes in Belgaum and Dharwar Districts.

Not less important than the soil, is the influence exerted by the climate on the character and direction of agriculture. Meteorological conditions affect the destinies of India to an extent which is probably not to be found elsewhere. If soil were alone the factor determining the class of crops, the same group of crops would no doubt be cultivated everywhere, but as a matter of fact we find wide diversities in this between neighbouring Provinces. As one proceeds from Eastern Bengal, westwards, he is struck by the great variety of the crops grown from the jute and rice of Bengal, to the millets and sugarcane of the U. P. and finally to the

wheat of canal irrigated Punjab. The cotton which is so widely cultivated in the Deccan, loses its importance in Northern India. Even where it is cultivated, e.g. in Muttra, fairly extensively as a Kharif crop it ceases to be important as it proceeds eastwards. The climate therefore is certainly one of the main controlling influences in agriculture, and it is entirely beyond the control of man, "it is only within the limits set by these conditions that man is able to adapt the environment to the special physiological requirement of the plant." Among these uncontrollable agencies are, rainfall, humidity, and variation in the temperature.

Rainfall is the lifeblood of agriculture, and the importance of the monsoons cannot be overemphasised so far as Indian Agriculture is concerned. After months of hard and increasing toil in the hot sun, the cultivator anxiously looks up to the sky and scans the horizon for the advent of the much needed rains, which are usually welcomed with songs and festivities. Indian agriculture, it has been aptly said,

is a gamble in rains, as the success or otherwise of the efforts of the cultivator depends upon the amount and proper distribution of this uncontrollable factor. We have roughly two periods of rainfall as denoted by the South West monsoon and the North East monsoon. The South West monsoon blows from June to September and it gives heavy rainfall to the Western Ghats, Central Provinces, East Bengal, United Provinces, Bengal, Bihar and Assam, while other portions of Northern India also get showers occasionally. The monsoon season, however, is a discontinuous phenomenon, and the success of the crops depends on the period of this discontinuity. Cases of prolonged break lasting over practically the whole of either July or August, have occurred causing loss of crops. The monsoon may pass away sooner than usual resulting in the drying up of the rice plant and the complete failure of the harvest.

The North East monsoon is really 'the South West monsoon in retreat,' and being influenced by the continental fac-

tors, it gives a smaller quantity of rain than the South West, which on an average contributes 90 p.c. of India's rainfall. This monsoon is very important for the Punjab, the North Western part of United Provinces, the Eastern coaststrip of the Deccan and Hyderabad. Deccan grows her dry crops during this period and the dry weather of Northern India with occasional spells of rains is very favourable for the cultivation of the Rabi crops. As the rice harvest of Bengal is solely dependent on the South West monsoon, the wheat crop of the Punjab proves a failure without an adequate North East monsoon.

Humidity of the air and temperature play a very important part in fashioning the course of agriculture. The hot weather, when the humidity is deficient, checks the growth of plant life which thrives again on the advent of the monsoons. The selection of crops depends to a large extent on the humidity of the air and average temperature. Temperature acts directly on the plant in controlling the rate of activity of the all important

processes of assimilation and respiration, therefore the local crops are determined by the local temperature. For the proper development of some crops, e.g. vegetables like cabbages, a certain degree of temperature is necessary and they will not thrive if this element is wanting.

The Indian peasant is the product of the village community of which he has long considered himself to be a passive member. The fertility of the soil has made him unenterprising while owing to the uncertain rainfall, he is a confirmed fatalist. Hard working and assiduous in his work, his innate conservatism has stood in the way of any real improvement. He is still carrying on his work on the lines laid down by his ancestors, though the whole texture of rural economy has changed. Agriculture in India has long ago left its old moorings. The coming of the railway and the opening up of the interior of the country have brought about a revolution in the agricultural economy of the land, by commercialising agriculture. The village in the pre-Railway age, was

mainly self-contained growing its own food and paying its own labourers by shares in the produce. This has changed. The exports of raw materials have brought home to the cultivators the importance of growing those crops which have a money value. A peasant is not willing now a days to grow a number of crops for the consumption of his family or of his villagers, but he is anxious to grow one or two crops which are likely to fetch higher prices and for which his land is suitable. This specialisation is gradually reducing the acreage under food crops in the different provinces, and owing to the absence of an efficient marketing system, the cultivators very often have to suffer. In 1925 the price of Jute jumped from Rs. 10/- to Rs. 28/- per maund, by about three times. The natural consequence of this higher price was to tempt the cultivators of Jute in Bengal to increase their jute cultivation. "Whenever the condition of the soil allowed it, the paddy fields were turned into Jute fields. The result has been that many cultivators will now

have to depend upon their sale of the Jute even for purchase of rice and other foodstuffs required by them." The price went down very much and the result was panic and ruin.

Commercialisation of agriculture will not be successful till it is thoroughly industrialised. Already, as we have seen, the price level is exercising a decisive influence on the agricultural production in India and Indian raw materials are competing with the produce of other countries in the world's market. New countries like Canada, United States of America and Australia are better equipped with scientific knowledge, improved implements and a better agricultural organisation while they are not handicapped like India by the dead weight of an obsolete rural economy which is out of date with modern requirements. If India is to successfully compete with her more favourably situated rivals, she must adopt a better organisation and adapt her agricultural practices in the light of Modern Science. Better Farming must be the shibboleth of all

those who are working for rural reconstruction in India. The Indian peasant "on his tiny plot is still a man of small resources, with small means for meeting his small needs. He requires all the help which Science can afford and which organisation, education and training can bring within his reach." In any scheme of Better Farming, we must not lose sight of the economic position of the cultivator, which is unfortunately not very sound. The limitations under which he works are so many that one often despairs of any success. In addition to the relics of an antiquated and fast disintegrating social system to which he clings fondly, the laws of inheritance and the present system of land settlement are all tending to a diminution in the size of his holding, while as the result of the rise in his standard of living, it is gradually becoming difficult for him to balance his budget and the inevitable result is the increase in the load of indebtedness which he has inherited from his ancestors. Dr. Mann calculated in 1917 that the average



annual income of a cultivating farmer in Deccan was Rs. 33/2 while the average indebtedness per head was as high as Rs. 39/12. In the Dacca District of Bengal it was calculated "that families occupying 185,869 out of 391, 894 homestead plots were involved in debt, and the total indebtedness amounted to Rs. 1 $\frac{3}{4}$  Lakhs or nearly half the annual produce of the soil, to rather more than 12 times the actual annual rental of the land or to Rs. 36/- per cultivated acre." (Pandikar—wealth and welfare pp. 180).

The main reason of this chronic indebtedness lies in the unremunerativeness of the agricultural industry. Owing to the heavy annual interest charges and the uneconomic size of the holdings and the loss due to disorganised marketing, the cultivator is not making much profits from his land, and his ignorance and unbusiness-like habits are responsible for his not being able to detect the extent of his loss and repair it in time. Farm accounting is unknown among Indian peasants and the loss of one season is carried on to the

next, and this vicious cycle goes on, till the peasant one day wakes up to the seriousness of the situation and finds it too late to mend. Mr. G. R. Shrivastav has calculated that in the United Provinces the average cost of growing country wheat in one Bigha 5 Biswas of land was Rs. 69/4 while the price of the produce did not fetch more than Rs. 67/5/-, thus it meant a loss of Rs. 1/15/- to the cultivator (U. P. Journal of Co-operation, June, 1927) who is not aware of it and even if he knows it, he does not know that he could avoid it by substituting a better type of seed, like Pusa wheat 12, for the country wheat he is growing.

Better Farming therefore consists in the improvement in the methods of farming which will bring about an improvement in the economic condition of the farmer. A part of this work lies in the domain of State initiative, while the cultivators' share is to organise themselves in order to derive benefit from the State activity. The leadership must be taken by the State in harnessing Science to devise

ways and means for the increase in the yield of land while the cultivators, with their economic disabilities, must be so organised as to be able to adopt those methods which are recommended to them.

In any programme for Better Farming, the soil, the seed, and the cattle must occupy a prominent place, and when the quality of the soil is improved by irrigation and manuring, when the best variety of seed is found out and distributed, and the breed of cattle is improved, the yield of the land will certainly increase and agriculture will be rapidly industrialised.

In his well known work on "Crop Production," Dr. Howard has remarked. "Provided the cultivator can supply sufficient water, air and organic matter and also maintain a suitable texture, the soils of India, are exceedingly fertile and produce abundant crops." The problems of the soil therefore centre round the drainage of water from places where there is a sufficiency of it, the supply of water to soil requiring it, while the provision of manures, natural and artificial to repl-

nish what is taken away from the soil is also equally important.

We have already mentioned how important is rain for the crops in India, and we have seen that the uncertainties of rainfall make the problem of agriculture very complicated. Man has no control over this rainfall, but he can devise plans for preventing the waste of rain water and conserving it to keep the soil moist, by providing for a better system of surface drainage. In the old rural economy, there was a carefully planned system of regulating the rain water so as to lead the water from lands on a higher level to lower level, but owing to the construction of railway and road embankments and the neglect of these water channels, these have disappeared in many cases, with the result that waterlogging takes place in some parts while soil erosion occurs in others. During the monsoon season the rainfall in the Gangetic Valley is fairly heavy and this water, if it is not properly controlled, has a tendency to run off the surface without per-

colating into the soil after washing away the most valuable part of the soil. The result is loss of moisture in the soil and gradual permanent loss of fertility. The left bank of the Jumna has lost thousands of acres of fertile land owing to the formation of ravines as the result of the erosion. "These ravines have been carved out of the soft alluvial soil by the uncontrolled drainage in the past. Every year they extend farther and farther from the river until, at the present time, they measure many hundreds of yards in length. Villages, which at one time were surrounded by fertile fields now lie in a network of useless gullies" (Howard, Crop production pp. 12).

Water control must be carried on with a view to economising the volume of water supplied to different crops according to their necessity. Dry crops like wheat, cotton and maize do not require much water while rice and jute are in need of a large volume of water for quick growth. There are some varieties of rice which require a larger amount of water

than others. The wants of these different crops and their varieties will have to be studied and water is to be regulated accordingly.

The first step in such a scheme of surface drainage is the carrying out of a drainage survey of the District and the construction of a drainage map noting therein, if the old drainage channels can be traced at all. This can be done by the Irrigation Department of the Government. This map will show the drainage lines and the public as well as the Government can so regulate the construction of railway lines and embankments as to keep the drainage of the District uninterfered. After this has been done, the ryot can be educated to construct shallow surface drains, provided with slightly raised grass borders so as to afford a free passage to the surplus water, and to assist absorption and prevent erosion. As we have already mentioned, it is not an entirely novel thing for the ryot and he has to be made alive to its importance. Government can give the lead to a localisation of the rice

and jute crops in the areas, into which the surplus water can be led, thus giving these crops sufficient water to thrive.

Canal irrigation has certainly assisted in the reclamation of thousands of acres in various parts of India, but it no where has been an unmixed blessing. Like Credit, canal irrigation has been a dangerous weapon in the hands of the ignorant agriculturist as it has put a "brake on the wheel of life." No where is the waste and abuse of water more patent than in the canal irrigated areas. After the Engineer's function is over in constructing a canal and leading water to the fields, it is clearly the work of the Agricultural Department to organise the water supply in such a way that no wastage takes place and no crop suffers for want of water or for its excess. This necessitates a revision of the crops grown and the provision of adequate water channels so as to ensure uniform watering and to prevent waterlogging. Scientific irrigation requires that only so much water should be used as to spread it thinly over the internal surface of the

pore spaces but as a matter of practice, much more water is supplied retarding the process of growth. Dr. Howard has estimated that "the amount of excess water applied to crops like wheat in Upper India appears to be from 30 to 50 p.c." In several places like Amritsar, waterlogging due to over irrigation has to be checked by the use of water pumps. In the Deccan, the results of this abuse are quite glaring. On the Nira Left Bank Canal out of the total irrigated area of 81000 acres, about 45 p.c. has been either completely damaged or converted into alkali land. The main reasons of this abuse are the uncertainty of the supply of water and the system of payment on the basis of the area irrigated. The cultivators, particularly those situated at the tail end of distributories, realise that they do not know when their supply would be cut off and they want to store up as much as they can. Payment by area irrigated gives a direct incentive to the waste of water. The Punjab has started a system of distribution of water by which payment has to be made by volume.



“Every distributory is known. By this means, considerable economy of supply has been effected, enabling irrigation to be extended to areas for which water was not previously available.” This method is likely to prevent not only the waste of water, but also to promote the cultivation of crops which are likely to prove remunerative. In the Pravara Canals area in the Deccan, cultivation of sugarcane developed very rapidly but it was felt that in view of the gradual fall in sugar prices it would not be remunerative any longer to expend the acreage under sugarcane. An alternative crop had to be found with reference to the availability of water and its distribution in point of time and also the market demand for and price of the produce. Cotton and groundnut were selected and these are being pushed with great advantage to the cultivators. Thus we find that the only method of prevention of this abuse of water is by modifying the irrigation policy and by a proper co-ordination of the activities of the departments of Agriculture and Irrigation

so as to keep in view the engineering and the economic aspects of irrigation. The Royal Commission on Agriculture has very wisely recommended that the cultivators, who are the actual consumers of the water, should be associated with the Irrigation Department in the distribution of water by means of Local Advisory Committees which will study local needs and enquire into the grievances of individual cultivators. These Committees might also be utilised for the purpose of pushing on necessary agricultural reforms or the introduction of new crops. If Co-operative Organisations could be started of the Malegaon type, or Irrigation Panchayats could be organised, the work of the management of the minor distributaries could be entrusted to them.

Manure is one of the main agents in crop production and in former times, Indian cultivators better understood the principles of Manure Economy. The healthy practice of tying cattle and other farm animals on the field for four to six months in the year,

the conservation of oil cakes, the proper rotation of crops all testified to their anxiety for manure conservation. Many of these useful customs are gradually dying out and the commercialisation of agriculture has encouraged a feverish exploitation of the soil which will ultimately lead on to soil exhaustion. . The export of oil seeds means a serious loss of manure to the country and the wasteful methods of storing cowdung and other organic manure and the burning of cowdung cakes as fuel are all contributing to this inevitable result. Rice fields in Madras and Bengal have shown already a considerable deficiency in phosphates causing a falling off not only in the yield but also in the foodvalue of the rice crop for human as well as cattle consumption. The nitrogen problem is also assuming serious proportions and unless the loss of nitrogen is made good, crop production will not increase.

The ryot must be advised to look for Arhar stalks or Sisam twigs for his fuel, where they are available, and to store his

dung not in heaps but in pits so as to save it for the field. That persistent efforts and widespread propaganda can do this, is well evidenced by the success which Mr. F. L. Brayne has achieved in this direction in Gurgaon in the Punjab.

The leguminous crop is an important agency in nitrogen fixation and that is why the Indian ryot has included it in his scheme of crop rotation, but owing to the expansion of money crops he has begun to neglect it. The Canal Colonies of the Punjab where the leguminous crop has been displaced by wheat, cotton and Sugar Cane will very soon pay the penalty of soil exhaustion. These leguminous crops like the pulses, fix atmospheric nitrogen with their root nodules and they are important not only for their food value but also for the help they render to maintain soil fertility. Hence these crops must be restored to their respective places in the rotation, while the introduction of Sunn Hemp and Dhaincha for the purpose of Green manuring should be encouraged. "It was estimated that a 50-60 day plant

gave on an average 2,62 grains of nitrogen and 0.074 lb. of green matter." Another advantage of this crop is that after 60 days' growth, it can be ploughed in, burying only the tops and leaves in the soil, separating the stems as a source of fibre. In Madras, green manuring has brought about a great increase in the yield of rice and in the Central Provinces it has succeeded in light, open soil.

In the export of Oilseeds, India loses a heavy amount in the nitrogen contained in the oilcakes. She exports 18 p.c. of her total output of oilseeds and a major portion of this could be retained in the soil. A similar loss occurs also in the export of bones in the form of bone meal which is valued at about 97 Lakhs Rupees. The bones are collected from all over the country and due to the favourable freight rates they are easily transported to the sea-ports where they are crushed and exported. It is necessary to start small bonecrushing factories at principal centres in order to supply the bonemeal to the agriculturist direct. A large number of

ryots can be organised on Co-operative basis for this purpose and a ready market for the meal can be created.

Intensive agriculture requires the use of artificial fertilisers in order to make good the loss in the fertility of the soil, and in order to increase crop production, it is of the greatest importance to apply these for the money crops in particular. Sulphate of Amonia is being manufactured in the Bengal Coalfields and in the Tata Iron and Steel Factory at Jamshedpur and it is a good sign that instead of a major portion of it being exported to other countries, an increasing proportion is being retained in this country for the purpose of manuring. In 1925 of the total production of 14,771 tons about 6400 tons were consumed in India. With a gradual decrease in the rates of this fertiliser, it is hoped that its popularity will be on the increase. It is also, to be expected that the railways would lower the rates and give other concessions for pushing on this manure. Co-operative Societies can do a lot in popularising them among the culti-

vators by free demonstrations and arranging for their supply.

Sir James Mackenna has very aptly remarked that "the seed is the rock on which the house of agriculture must be built." Success in crop production lies to a large extent in the proper selection of seeds. The efforts of the Agricultural Officers in India in this direction have been crowned with a considerable amount of success and some improved varieties of India's principal crops have been recommended to the cultivators which are calculated to bring greater prosperity to him. Howard's work at Pusa and Barbour's researches at Coimbatore have given to India, Pust Wheat 4, and 12 and Sugar Cane C. O. 203 and 213, while the yield of paddy has been increased by the introduction of the Indrasail Paddy by Hector at Dacca. The Economic Botanist has not yet said his final word in the matter of the improvement of varieties and vigorous researches are going on every where with a view to find out not only the highest yielding variety but also that variety

which has great adaptability and rust resisting capacity. The attempt to acclimatise exotics has been given up and it has been recognised that salvation lies in selection and improvement of the indigenous varieties, as the possibilities of an improved local variety together with intensive cultivation are enormous. It has been found that by a combination of improved varieties with improved cultivation, the yield of sugarcane can be increased threefold. The increased profit to the cultivator as the result of the introduction of the improved wheats amounts to Rs. 150/- Lakhs annually.

The selection of an improved variety is only half the battle. Unless it can be successfully introduced and the agriculturist is convinced of its greater utility, the real purpose is frustrated and the variety is relegated to the museum for the casual inspection of the curious visitor. The problem of seed distribution is no less formidable than the problem of crop selection. The Agricultural Department has at last realised its importance and at-



tempts are vigorously being made to do propaganda work in this direction. The obstacles are innumerable and only the determination and tact of the propagandist can surmount them after a number of years. The hard crust of conservatism will take time to break and the financial weakness of the cultivator will prove to be a serious handicap but once these have been got over and once the cultivator is convinced that the new variety has a greater utility, he will not hesitate to welcome it and try his best to assist in its expansion.

Introduction of better seed requires the existence of an agency for the production of better seeds and another agency for its propaganda and dissemination. Seed production in European countries is mainly in the hands of professional growers but for a long time to come this work will have to be done mainly by the Government of India. In the different Provinces, Central seed farms have been started by the Government from which seeds are issued to the ryots, but it can

be very well realised that the resources of these seed farms would prove utterly insufficient if a large demand develops as the result of successful propaganda. The proper policy of the Department of Agriculture should be to throw the burden of seed growing on the cultivators themselves and to organise them in such a way that the volume of seed production will increase and the introduction of new varieties will receive a stimulus at the same time.

The Department of Agriculture started large seed farms in the United Provinces and encouraged the Court of Ward's Estates and the Taluqdars of Oudh to take up seed production and the work of seed distribution was entrusted to local organisations, seeds depots and to its own officers. In some cases the Co-operative Societies were made the agencies, but this did not prove a success as there were many areas where co-operation had not been able to make any impression and Co-operative Societies had not been started. It was however realised

that the ordinary Co-operative Society was not competent to undertake this serious work as in addition to its financial limitations, the average membership is drawn from a class which is on the brink of insolvency. Co-operative Societies composed of well to do cultivators and organised for the specialised object of seed production could be expected to succeed, but if a wider circle of persons could be interested in this work, greater results would follow. India can well follow the example of Denmark in this direction.

The seed industry in Denmark has been fostered by the mutual co-operation of all the parties interested in the work, *viz.* the growers, the Agricultural Scientists, the Government and Crop exporters. "Co-operative production and Co-operative distribution, combined with a realisation of the value of Scientific research and the practical application of Scientific results in agriculture and commerce, have made possible the organisation of the industry and have stabilized

its position". (Agri. Journal p. 372, XXI, 5). Seed distribution had long been taken up by the Co-operative distributive Societies, but the amount of seed handled by them was not large. The Government started in 1891 a State Seed Testing Station and gave a lead to the industry. This was followed by the amalgamation of the Co-operative distributive societies and the formation in 1896 of the Danish Co-operative Wholesale Society, which in addition to the marketing of its members' seeds also started experimental farms for seed improvement. The success of this venture led to the formation of the Danish Farmers' Co-operative Association for seed growing which now holds about one third of the total seed growing area in Denmark. This Association aims at the growing of good seeds and their marketing both in the home and in the foreign markets. It has installed special machinery for cleaning and drying seeds and it gives a guarantee for purity and quality. It supplies its members with selected stock seed and during the period

of growth, the fields are inspected by its officers. The members have to sign a contract with the Association for the supply of the stipulated quantity of seeds and payment is made on delivery at one of the warehouses while deductions are made, if the quality is inferior. The best seeds grown on the Association's farms are sent to the Government farm for the comparative culture tests and the standard is fixed by the Government Farm.

The Association's guarantee for quality thus is strengthened by this Government test. The work of seed distribution is done through the Co-operative wholesale Society which has a membership of 400,000. This co-ordination between these two institutions means that the farmer member of the Co-operative Society is assured of a steady supply of pure, clean guaranteed seed while the Association is relieved of the management of its retail trade and it can control the business of seed production on commercial lines. The success of this

industry can be well estimated from the fact that in 1907 the seed acreage was 10,500 acres while it rose to 85,500 acres in 1919.

The Danish system can teach us three lessons,—the lead given by the Government in organising the two institutions and by testing and giving a guarantee for the quality of the seed, the formation of one organisation for the production of seed and of another for its marketing. The Danish workers early realised that the success would come only when the purity of the seed could be maintained and suitable arrangements could be made for its marketing. In India, the Department of Agriculture can test seeds in its farms and issue certificates, while Co-operative Seed Unions can be organised all over the country under the supervision in the early stages of the officers of the Agricultural Department while later on, it can have its own officials. The marketing of the seeds can be arranged without much difficulty through the existing Co-operative Societies and the Central Banks

which are formed by them. This will speed up the expansion of pure seed growing while at the same time facilitate the introduction of the new varieties.

Better farming consists in the proper adjustment of the different factors which are necessary for crop production and the greatest of these factors is of course the cultivator himself. The greatest obstacle to a rapid modernisation of agricultural methods in India is the fact that of the adult male population nearly 90 per cent. can not be reached directly by the printed word hence the only hope lies in the mobilisation of all the available forces, both public and private, in a determined campaign against all illiteracy. The co-operation of the scientist as well as of the layman, the landlord as well as of the ryot is necessary to create a real demand for agricultural improvement in the country side. The educated young man of to-day has a great moral responsibility as on him devolves the natural leadership in his village as it is through him that all bene-

ficient ideas about Rural Welfare can permeate into the minds of the villagers and bring about an improvement not only in their fields and methods of cultivation but on their outlook on life as well.





## CHAPTER III.

### BETTER BUSINESS.

The necessity for the application of Sir Horace Plunkett's formula of Better Farming, Better Business and Better Living, is no less urgent in India than in the United States. India with her teeming millions is now lagging behind in the struggle for existence, and her agricultural products are being undersold in the world's markets. Soil in India is failing to react to the ever-increasing pressure of the population. Modern countries equipped with the latest appliances of Science are tapping the virgin soils of newly discovered countries, while the systematic Soil robbery which has been perpetrated for centuries in India has accelerated the action of Diminishing Returns and India, with her fifth-century-old Socio-economic system finds that she has been outstripped in the world's commerce. Agriculture has ceased to be

a paying industry in a country where three out of every four persons have to depend upon it directly or indirectly. When agriculture is prescribed as the panacea for unemployment and the educated youngman is driven by the force of circumstances to the land, he finds that there too his fate is sealed. The land will not yield him enough and whatever it yields, he cannot get its full money value. The village community which nurtured the ancient civilisation of India and which withstood successfully the disintegrating forces in the pre-British period of Indian history has been undermined by the call of the industrial civilisation of the present age. The village is being shorn of its manhood, the intelligentsia revels in urban life, and absentee landlordism coupled with disease is putting a finishing touch to this dissolution. The village now calls up before one's vision a picture of misery, distrust, disease and poverty. The work of the reformer consists in arresting these disruptive tendencies and in building on these

materials the village community of the future.

Before the coming of the Railways, farming was carried on mainly for local consumption, as the horizon of the agriculturist seldom extended beyond his paternal acres. The surplus of one harvest was stored to make up for the deficiency of the next, thus making acute distress on a wide scale impossible, but the railway has lifted the veil and has supplied the connecting link with the outside world. The cultivator has been snatched as it were from his extreme isolation and hurled into the tumultuous vortex of world commerce. The character of agriculture has changed. Subsistence was its object, now it is commerce but the change has not penetrated into the inner citadel of the farmer's mind and he is hardly conscious of the difference. No wonder that unequipped as he is, he fails signally in this unequal contest and disappears. The struggle for existence which is the gift of modern civilisation pre-supposes a high state of preparedness

and efficiency which alone can ensure success. The ignorant, unorganised wheat grower of Motihari can hardly be said to be a serious competitor of the educated American farmer equipped as he is with the latest teachings of Science, superior organisation and modern business methods. It is high time that we should seriously consider as to how we should organise and equip our cultivators so that they would be able to parley on equal terms with the more fortunate competitors of other countries.

The Department of Agriculture, it must be said to their credit, have succeeded in many cases in introducing new crops, new varieties of the staple crops. Their efforts may in the long run result in the Indian cultivator's growing two blades of grass in place of one, but will this prove to be an unmixed blessing? Will this succeed in bringing the cultivator to the haven of prosperity? It is true that with the investment of time, money, and labour two baldes of grass might grow where one grew before, but

will it not impoverish the people who do it, if there is no means by which that extra blade of grass could be utilised in a way that would justify the expense of producing it. This is ultimately as fatal as it would be for a person to stimulate and satisfy the function of eating without properly providing for the function of elimination. Increase in production without a proper system of marketing will cause harm rather than good. That is one of the main reasons why the efforts of the Agricultural Department to push on a new variety or a new crop have not attained the desired amount of success and where some success has been attained it is chiefly due to the fact that some method has been employed for marketing the commodity easily and profitably. In the Hoshangabad District of the Central Provinces, a kind of Rabi Til (Sesamum) is grown which has a dark brown seed and which is sold at a very low price in the market as the quality of oil extracted from it is inferior. The Department of Agriculture selected a new

variety of the crop which was calculated to give a higher profit of Rs. 5 per acre as the quality was better and the outturn was higher. The local cultivators would not accept these seeds as they were afraid that they would not be able to market the crop. The District Agricultural Association was approached and through it the seeds were distributed. The local merchants had misgivings about this new variety and declined to purchase it, hence the Department felt it necessary to collect all the surplus seed and send a trial consignment to Bombay for marketing. Good prices were obtained and next year the area expanded slightly. A local merchant was prevailed upon to give a slightly higher price and an advertising tour was made in the villages near this market. "In four years' time", writes Mr. Evans, "the area sown increased from 100 acres to 50,000 acres and the extra money brought to this District from this source alone amounted to about 2½ lakhs rupees." The present system of agricultural marketing requires a

thorough overhauling as it does not yield to the farmer any legitimate return for the investment of his labour and capital, while the consumer is bled white and an army of well organised middlemen steps in between a mass of unorganised producers and a mass of unorganised consumers and swallows all the profits. It is essential that the members of the Department should study and improve the system of marketing so as to accelerate the introduction of better seeds.

We do not for a single moment minimise the importance of the utility of the middleman. The present economic system has made the middleman a necessity, though it must be admitted that the direct sale by the producer to the consumer is not an impossibility even now. The middleman performs several very important functions. It involves the grouping of produce, cleaning and preparation, grading and transport to the market, and its distribution through the retail shop to the consumer. He purchases wholesale and sells retail. He pro-

vides the capital to bridge the time between purchase and sale, between production and consumption and he takes the risk of deterioration and loss. These are all necessary functions and the charge that he makes for his remuneration is apt to be out of all proportion to the service rendered in view of the extremely disorganised condition of the producers. The wide margin between wholesale and retail prices gives an idea of the middleman's profits and it throws also a side light on the defects in the marketing system. The present writer made a calculation of middleman's profits over Rice alone in the Tirhut Division of Bihar in 1921 and it amounted to Rs. 32 Lakhs. A study of wheat prices in the same area showed that one seer of Wheat purchased by the middleman from the cultivator at Rs. 0-1-3 was sold to the consumer as Atta at Rs. 0-3-3. The dealer made a gross profit of 2 annas per seer, or deducting the necessary cost of transport, weighing, milling etc., the net profit of the middleman amounted to Rs. 0-1-3. Thus the pro-



ducer received only 33% of the price paid by the consumer, while the middleman pocketed an equal or larger share. This disorganisation of marketing in India is mainly due to the fact that the middleman in addition to his legitimate duties functions also as the financier of agriculture. The cultivator is in the clutches of the money-lender and dealer combined in one person. Our indigenous system affords no means of escape to the cultivator and on the other hand, it gives the middleman unlimited opportunities to increase his profits by all sorts of questionable methods. In the Punjab, the farmer is indebted to the Ahrties (Commission agents) of the Mandies (Markets) and he is compelled to bring his crops to him. The Ahrti credits the value of the crops at cheap harvest rates and sells at inflated prices. He further gains from interest on loans and from commissions and other imports charged on sales. Besides this, the Ahrti makes the producer pay for the Paledar (weighman), the Changar who separates the dust from the grain, the

Toledar who does the weighing and also for the Langri (Cook), the Bhisti (water carrier) and the Sweeper. In the Tobacco trade on the Muzaffarpur District, the middleman resorts to many such tricks. He takes one bundle of tobacco for every maund weighed as Ginti (counting charge). He takes another bundle as Gangajali charge. He usually sits on a bundle of tobacco leaves when the weighing is carried on and this bundle he appropriates as Baithai. Besides this the weighman and the broker realise their usual dues. The weight used is not the standard seer, and to this the ryot must submit as this is the custom. Thus we find that after making all these payments the margin of profit left to the ryot is negligible. How can we expect him to improve the variety of his crops, or to introduce new crops when he finds that his old crops do not yield him sufficient return owing to the bad system of marketing. Hence all co-operators should concentrate their efforts in improving the business side so as to enable the cultivator

to retain a larger part of the profits of cultivation and this will give the incentive to improve his farming methods and these will lead on to Better Living. The functions performed by the middleman form an essential feature of the modern economic organisation but is there no way other way of substituting it by an organisation which will function as efficiently but will leave a greater share of the profits with the grower of the produce. The only organisation which can effectively perform this is, the community formed into a Marketing Association. Through this agency the community performs its marketing function and the individual farmer remains at his post; he no longer tries to perform ineffectively that which can easily be converted into a community function. "If the community can organise to produce something that is worth producing, then it is just as necessary that the community shall organise to market that product properly."

The need for such Associations in

India can not be over-emphasised. The Indian cultivator is beset with two evils—the Mahajan and the Bepari, who, as we have already stated, are often the same person. He requires finance to enable him to grow his crops and he equally requires a good method of disposing of his produce. The Co-operative movement has made some progress in eradicating the first evil while it has only touched the fringe of the second and no less important problem. The borrowing and repaying capacity of the cultivator depends on his crops and if after a year's hard work and after surmounting the manifold obstacles set before him by Nature, he finds that owing to his economic weakness and isolation he is unable to realise the full value of his labour, it becomes extremely difficult for him to keep his engagements and repay the loans incurred by him. Until we can set up any organisation to prevent this, the co-operative movement will never be able to attain a large measure of success. It may be said to have reduced to some extent the rate of interest without

having effected much improvement in the economic condition of the cultivator and without having freed him from the necessity of borrowing. The Co-operative Movement is the only organisation which can bring about this and the principles of self-help, thrift, and joint responsibility which it inculcates, if they are based upon modern business methods and organisation, will without doubt usher in the Better Living which is the goal of all social workers.

Co-operative marketing is of course no easy thing to manage or to organise. It has its pitfalls like other organisations and there should be a very careful study of the existing conditions of business before an organisation is started. Stray attempts have been made here and there in India with varying results and the history of the attempts which failed shows that failure was either due to imperfect planning or impatience and inefficiency of the workers and the principle of co-operative marketing has come out unscathed. The soundness of the principle is

further established by its comparative success in Europe and North America, among classes of people who are not much above the Indian cultivator in economic condition or intellectual development." In the North East of Bavaria near the Bohemian frontier is the unpretending but well-built village of Tirschenreuth situated with its 800 inhabitants in an undulating country of meadowland and pine woods. In 1899, to free themselves from the bondage of the local dealers, 8 small village banks of the neighbourhood joined together to found the grannary society of Tirschenreuth." The total membership today exceeds 1000. Each member society has taken a single share of £25 and the liability is unlimited. In 1900 the Society built an Elevator which cost £1350, the funds for which were borrowed from the Govt. at 1% rate of interest. The society has repaid it and its Reserve Fund is now well nigh over £1000. All grain handled by the society is purchased outright at prices fixed by the Manager. The member brings his own grain to the society which

is first of all cleaned, then graded. There is no compulsion on the part of the members to sell but as the Society is able to secure better prices for the members' produce they sell the whole of their crops to it. There the management is in the hands of a Committee of six members. The benefits conferred by the society are immense. It has secured for the grower a good price for his crop, prompt payment, a constant market and it has encouraged him to improve his methods of cultivation.

At Yonne in France the sale society works on a share basis. In July each year each member has to send in a forecast of his estimated outturn and the approximate dates of the delivery of the produce. In each affiliated village a member acts as an agent for the society, collects the forecasts, forwards them to the society and arranges for the joint delivery of the crop. At the end of the year all receipts for sale are added and all working expenses deducted from the total which is then divided by the number of bushels

and the average price per bushel is arrived at. All produce received by the society before the 31st March is paid for at this average rate. Members who give delivery later receive a small additional bonus per bushel. This society has found out a very simple but effective machinery of management while its system of price fixing is above reproach.

The utility of centralisation in marketing is evidenced by the success of the Californian Fruit Growers' Exchange in that land of mammoth organisations, Trusts and Monopolies, viz., the United States. This Exchange deals with perishable commodities, fruits like citrus, oranges, grapes and lemons which demand quick transport and ready sale. It shipped in 1924, about 40000 cars of orange and grape and 6500 cars of lemon and returned to the growers in exchange for these fruits 35 million Dollars. Growers are organised into local associations which in return are members of the District Exchanges which are grouped under the Central Exchange. The fruit is assembled



and prepared for shipment by the local associations. The District Exchanges order cars for the local associations of their respective Districts, keep records of the cars shipped receive the returns from the Central Exchange and distribute the proceeds to the local associations. The Exchange has agencies in the principal markets of the United States and Canada and it is thus in a position to keep it in touch with the different markets of the country. This Exchange also supplies articles of necessity to the members and thus it combines sale with joint purchase. The large size of this organisation has given it an effective control over the market and has enabled it to reap the economies of large scale production. Co-operative Sale must have attached to it, Co-operative Purchase so as to give it the requisite amount of stability and also to reduce the cost of management.

In the Condon Flour Mill of France, we have a model worth imitating. The society works upon a share capital of 50000 francs and in 1920 made profits

amounting to 1,23,000 francs. All cultivators in the neighbouring countryside put their gain at the disposal of the society. Advance payment is made on delivery of the grain, only when the member wants it. Those who do not ask for advances receive at the end of the year, the value of their wheat calculated on the mean price of the year and are also entitled to a bonus on the quantity of wheat delivered and further receive 4% interest on the value of their wheat from the date of its delivery upto the date of its payment.

The history of the development of the Wheat Pool in Canada is as interesting as it is instructive. A voluntary organisation of the farmers called the Grain Growers' Grain Company was started in 1906 which announced that after declaring a share dividend, any surplus profits would be apportioned among its patrons on the basis of the amount of grain handled for each. "This organisation, inspite of the bitter opposition of the jointstock companies survived and with the financial assistance from the Government built

elevators at convenient centres. Then came the Great War, and the Canadian Government took over the control of Wheat marketing for ensuring at moderate prices steady supply for the army. A Wheat Board was formed with a complete monopoly of the produce and full powers to arrange its distribution. The producer was paid a part of the price on delivery at a suitable village centre and the balance after the actual sale. It was a compulsory pool and it secured for the farmer a fair price while he was saved from the trouble of keeping himself in touch with fluctuations of the market price. So great was the success of this experiment that the people wanted the Board to continue even after the war was over. Legal opinion was however against it and the farmers had to take recourse to a voluntary co-operative Marketing Association. The Alberta Wheat Pool led the way in October 1923 and other Provinces were not long in following it and soon after all these were amalgamated to form the Canadian Co-operative Wheat Producers'

Limited. The chief characteristic feature of this organisation was the contract with the members binding over to supply for five years all the wheat produced by them except certified seed wheat. In case the member violated the contract he was liable to pay the sum of 25 cents per bushel as damages and the Association was entitled to obtain an injunction for the prevention of a further breach of the contract. A small portion of the gross sale price of the wheat is deducted by the Association for the construction of elevators and for the provision of better transport facilities. In course of three years the membership of the Association has gone up to 140,000 and in 1926 it handled about 187,361,240 bushels or 53% of the total shipments." Estimated in money value it may be said that the business of the Canadian Wheat Pool is approximately one fifth of the total annual value of the co-operative sales in the United Kingdom." (Horace Plunkett Foundation Year Book of Agricultural

Co-operation in the British Empire 1928, p. 100).

Looking homewards we meet with several experiments here and there among which the Lyallpur Commission Sale Shop, and the Baramati Sale society have achieved considerable amount of success. Lyallpur is the creation of the magnificent Canal system of the Punjab. In spite of the gradual development of the area, indebtedness has not appreciably decreased and even fairly big landowners are in the clutches of the Ahrties. Here was a good centre for the introduction of Co-operative marketing and a careful study was made of the system followed by the Ahrties. Commission shops were started which paid 75% of the value on all grain brought in whether sold or not. These advances were fully secured by the produce held and advances were obtained from the Central Banks on this security. Sales were made by the Shops to brokers on behalf of the producer and the rate of commission charged was annas eight while the Ahrties' rate annas twelve.

The shop does not make any illegal or unfair charges which the latter does. The adoption of the ordinary market practice has appealed to the cultivator's imagination and at the same time has saved the shops from all risks due to possible fluctuations in prices.

The Bombay Presidency has made a notable advance in Co-operative marketing, there being more than 30 Cotton Sale Societies at work. In 1923, 18 of these societies sold Cotton worth 24 lakhs Rupees, the Gadag society in Dharwar having sold alone 10 lakhs worth of cotton. These societies are mainly worked under the direct supervision of the Banks almost as branches of the same. The Central Bank arranges for the sale and the prices are approved by an Advisory Committee of the Bank. Sales are made on the Commission system but the actual management rests with the Bank officials. This system of working these new ventures through the agency of the Central Bank in the early stage has

much to commend it, in view of the ignorance and apathy of the people.

In Bengal the sale societies for Jute, her principal crop, have increased very fast. In 1927 the number went up to 78 and "the experience gained was satisfactory although the financial resources were not particularly bright." A great impetus to the work has been given by the organisation in Calcutta of the Bengal Wholesale Organisation Society. This Society will, "further the movement by carrying the business of wholesale and retail dealers, bankers, brokers, shippers, carriers, and insurers, managing and commission agents, sell and dispose of the agricultural produce of the members in the most profitable way and arrange for the carriage or transportation to markets or otherwise of such produce; make from time to time with its members contracts requiring members to sell for any specified period of time all or any specified part of their agricultural produce exclusively or through the society." To this society will be affiliated all the agri-

cultural sale and supply societies of Bengal and it will maintain a common service of managers with a view to attract capable men to this work. It will attempt to standardise and grade the produce of the members, who have been asked to adopt a uniform mark for their bales of Jute. All the societies will be kept informed daily or weekly of the fluctuations in the market price and all sales will take place only upon the advice of the wholesale society. It is too early to offer any opinion about the success of this venture, but one can reasonably hope that the Wholesale Society, if properly managed, will succeed in securing to the jute grower a part of his legitimate profits. Criticism has been levelled at the intense centralisation aimed at by the Wholesale in Bengal but if the speculative nature of the jute business, the isolation and ignorance of the cultivators are considered, this centralisation appears to be essential for success. The Wholesale collects forecasts of the output from its societies quite early in the season and it makes a contract with the



Mills with a view to secure as favourable terms as possible. Bengal should follow the policy of centralisation adopted in the Dairy industry in Denmark rather than the decentralisation which is the characteristic feature of the Co-operative Corn Trade in Germany, as, in the case of Jute, the market for it is a foreign one and success will come only with an efficient centralisation.

In India we have to organise a mass of ignorant people into a body of businessmen capable of competing with middlemen equipped with the modern methods of business and transport. We have to destroy the traditional lack of initiative, the habitual helplessness of the cultivator, we have to break up the middleman's ring and in its place we have to broaden his outlook and teach him to combine in order to secure his legitimate profits in selling his produce. In starting such an organisation the first object should be to concentrate attention on one or two major crops of a particular locality and not make it a general produce selling business. The

narrowing up of the scope will enable the organiser to study the market better and also to control the supply effectively. The present method, as already described, is to form a sale society composed of at least 10 members, and then with borrowed funds, either to purchase the produce of the members or to stock it on commission basis and then to dispose of the commodity when the market improves. Such an organisation requires for success a management which possesses business ability of a very high order and failure of most of these societies is due to their inability either to secure or to maintain efficient managers. Success in this direction can be achieved only when these individual societies are federated into District Wholesale Organisations which can afford to appoint suitable staff and establish connections with the different markets of India.

Market regulation has been attempted in Berar and Bombay, and the Royal Agricultural Commission has recommended an extension of this system.

Berar provides for a market committee composed of the representatives of the departments of Agriculture and Co-operation and the traders and growers. The functions of the Market Committee include the prevention of fraudulent weighing, posting of prices and framing of rules for the control of brokers. These Committees exercise the powers of negative control giving the producers and buyers all possible facilities to carry on their trade. They do not cure the basic defect of agricultural marketing in India viz., the inability of the grower to hold up his produce for better terms.

In order to secure proper remuneration to the cultivators, something more than negative control is necessary. The scale of operations which the co-operative society can undertake must be sufficiently large so as to ensure the economies of large scale business. The best method of gaining this object is by combining these two, the Co-operative sale society and the Market Committee.

There should be a Marketing Associa-

tion in a definite area comprising say 10 villages. The membership would be open to the residents of these villages who would send their Patels, Jethraiyats, Panches or Elders as representatives to the Association and contribute to its funds by purchasing shares. The Association would select a place where the buyer and the seller would meet and transact business. Accomodation would be provided for the storage of commodities with facilities for weighing. It must insist on the use of standard weights. The rules of the market would penalise any attempt to cheat and the using of unfair methods would be discouraged. The Association would get quotations of prices daily or three times aweek from the Central Association in the District Headquarters and it would arrange to draw the attention of the members to the crop forecasts published from time to time and explain their full significance to them. It would gradually insist on the supply of pure, unadulterated goods and introduce gradation of commodities according to standards prevail-

ing in the provincial markets. It may arrange wherever necessary for the transport of goods from the village to the market and from the market to the town market or if it is intended for despatch, to the railway station. Brokers must register their names and deposit some amount as security and they must abide by the rules made for their guidance. In addition to these functions the Association will finance the agriculturists who owing to their poverty cannot hold up their produce for any length of time. These loans will be given only on the recommendation of the representatives of the village and in no case will they be given out unless the commodity is kept in custody of the Market Association and not more than 60 p. c. of the price will be given as loan. This will not only put a check to profiteering but will serve to extend the marketing period and area and prevent violent fluctuations in supply. On all sales, the Association will realise a reasonable charge as commission. The law should provide that no sale of produce

can take place for trade purposes unless it has been conducted either in the market or under the auspices of the Marketing Association, and no bag, or bale or package containing these articles will be allowed to be carried, either in headloads or in carts, unless it bears a certificate of the Association testifying to its quality and quantity. This policy of centralisation may appear to be an undue interference with the freedom of trade but it is of the greatest importance, as without this pooling of the produce, it will not be possible for the cultivator to get the legitimate return for his labour. The Village Marketing Associations will have local committees of supervision and they will be grouped under a Central Association located at the headquarters of the District or Subdivision. The Central Associations will secure funds in order to enable the Village Associations to advance them to the needy cultivators. It will secure orders for the supply of commodities and arrange for their proper transport. If the Village Associations organise the supply

of the articles of necessity to the members, the Central Association will help them in making the purchases.

Loyalty to the Association is of the greatest importance. Every member must give up to the society all that he has produced in a year. Voluntary action is no doubt the ideal but wherever necessary compulsion should be resorted to. This smacks somewhat of the Mahajan's methods and it may sin against the very foundations of Co-operation, but in the early stages of the movement it will be indispensable. When the society has made some progress and the members have come to appreciate their self interest, the voluntary principle will succeed. The farmer who lacks sufficient faith in the Co-operative plan to "go in all over" will prove an element of weakness rather than of strength. Therefore the society should introduce some sort of contract with the members, say for 5 years' delivery of all crops grown of the particular kind and this contract should be of such a type as would be enforceable by injunction from

a Civil Court. A study of co-operative legislation in the different countries shows to what extent compulsion has been resorted to, in furthering the development of Co-operative marketing. South Africa enacted a law in 1925 which lays down that "when the Minister is satisfied that in any district 75 p. c. of the producers, producing 75 p. c. of the local output of any kind of agricultural produce, are members of a co-operative society, he may give notice that in future all producers in the district shall market their goods through the Society whether they are members or not. Non-members coming under this regulation are then bound by the rules of the society but may apply to have their produce inspected and graded by a Government Officer at the expense of the Society." The Primary Producers' Organisation Act of 1926 in Queensland provides for the formation of an Agricultural Council and "Commodity Boards". These Boards have been given "compulsory powers at the decision of two-thirds of the producers of the commo-



dity in the district". Compulsion of some sort will therefore be necessary to develop and consolidate these marketing associations in India.

The price problem has been the rock on which many societies have foundered. In many cases, each member obtains the particular price of the day on which his consignment is sold but this may give rise to speculation and open the door to the competition of outside sellers. The better plan is for the society to sell all consignments from members when and how it thinks best and the price obtained by each is the average of the season for all consignment. This may mean that in some cases, some members would not get more than what they could have got if they had sold in the open market, but this would give general satisfaction to all. The object of the Society should be to extend the marketing period and area, and control the movement of the produce in regard to the point of consumption. The Society should hold up the crop till good prices come and then send the grain to the

market where it can fetch good price. The officials of the Society would look after the grading of the crops and this is the best medium of introducing new and better varieties of existing crops. I have been told often that it was no good introducing a better variety of Tobacco as there was no market for it. The same is with Groundnut. But a market exists, only they do not know. The Society will secure it for them.

Central Banks have upto now been shy of investing in these undertakings. They have been accumulating surpluses, they have begun to discourage legitimate saving either by lowering the rate of interest on deposits or by stopping deposits altogether, but they will not invest the surplus in co-operative marketing. This caution is mainly the cause of the non-development of this side of the movement. If advances are given on due scrutiny of the quality of goods, if the goods are properly stored and a special lien is obtained by the Bank from the Society, there is no reason why the Bank should not supply

funds on condition of immediate repayment. Besides this the Central Bank may insist on having some representatives on the Committee of Management of the Marketing Society. In this connection, I want to point out that in other countries the Government has stepped in with liberal grants and advances at nominal rates of interest for the promotion of these societies and for the construction of Golas and Granaries. If our Government does the same, it will give heart to our Central Banks and the problem of finance will not appear to be formidable.

There is ample scope of state aid in this branch of the movement which will be appreciated by all. A Central Agency for the collection of information about market conditions and prices will go a long way towards setting up this Movement on a sure footing. The Government should create the post of a Market Director under the Agriculture Department whose functions will be to gather and disseminate information concerning supply, demand, prevailing prices and commer-

cial movements of farm products. He will organise and promote Co-operative Associations for marketing and the like. He will foster and encourage the standardizing, grading, inspection, labelling, handling, storage and sale of any such products. The producers and consumers will look upto him for settling any disputes or will seek his advice for assisting them in the economical and efficient distribution of any such products at fair prices. Under him may be appointed a number of field officials who will collect information about prices and market conditions in the Districts and will publish them for general information. This system has been tried for a number of years in some of the American States where it has been found to be effective. In many cases the Department has adopted a militant attitude in protecting the consumer or the producer from the oppression of middlemen's rings. The New York bakers were compelled to restore the Five Cent loaf of bread after raising it to Six Cents. To help the milk production interests, an auction of dairy

cows was held under the supervision of the Department. If it is not found possible for the Government to open it as a State Department, let the Development Branch of the Federation take it up, and render some real service to the Co-operators who have been contributing to keep it up.

There is a splendid export trade of oil seeds, of grain of various kinds and also of Khari and Salt-petre and Jute in North Bihar. Take up any one of these, make a careful study of the local condition of production and sale and also make enquiries at the different trade centres of India, so that when you start it, let it not be a leap in the dark. Let the first move be made through the existing Co-operative Societies for in them you get a body of men who have got some training in Co-operation. Let forecasts be made of the expected yields of the various societies and small granaries built at suitable centres, from which the goods may be sent direct to the Railway Station for transhipment to the required destination.

The work may look formidable at first but if one does not go in for speculation, the risk of loss can be minimised. To run it efficiently a good manager with business experience should be appointed assisted by officials with agricultural knowledge. Once we have achieved some success, we can strengthen our local centres by forming a link of small societies affiliated to one Central Organisation. If we combine with this the work of supply and sell to our members standard articles as cloth, salt and the like, the cost of management will be lightened and the profits of one will balance the occasional loss caused by the invariable ups and downs of trade. Let us all hope that in course of time, we will all realise that we have really utilised the principle of Co-operation to bring about that Better Living which is the ultimate end of our endeavour.

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## CHAPTER IV

### CO-OPERATIVE EDUCATION

Indian co-operators after twenty-five years' work, have realised the necessity of taking stock of the situation. It has become patent that the numerical expansion of the societies or the accumulation of Reserve Funds or even the swelling up of the members' deposits are not sufficient criteria of co-operative progress. Several provinces in India have therefore put on the brake and have instituted enquiries to review the situation. Consolidation of old societies rather than further expansion has become the watchword and the wisdom of this policy is beyond question when one thinks of the immensity of ignorance and conservatism in rural India.

The co-operative principle is not merely an economic principle prescribing a certain course of action in order to

bring the struggle for existence to a victorious issue. Its spiritual aspect raises it above the materialistic plane and sustains it above the din and bustle of everyday strife, while it enables it to extend its sway over an ever widening sphere. Success of this principle does not lie in improving the economic condition of its votaries or in the mere avoidance of waste, but in the moulding of character and in bringing about a social reformation which will replace the narrow individualism of the present age by the principle of mutuality and unity. It is only by changing the outlook of the individual and his mentality that the social transformation is possible. The assimilation of such an abstract ideal afforded by co-operation requires a level of intelligence and an amount of receptivity which it is uncommon to find in the Indian villager. In the domain of religion in the past, many abstractions and ideals passed current and were imbibed by the masses no doubt without their ever realising the implications and



true purpose of those dogmas. In the present age, however, people are not willing to accept anything at its face value and the questioning mind wants to delve deeper into the "hows" and "whys" in order to properly understand the situation but if the mental equipment of the questioner is unequal to the tackling of the problem, if this process of introspection is arrested by an impervious bed of ignorance, then the process cannot proceed and the attempt is given up in despair. It is also true that the propagation of abstract ideas among ignorant people and their blind acceptance of them, is fraught with the gravest consequences to the individual as well as to the society. History is full of instances when people have wantonly given away their lives and have caused huge destruction of property, when some idea got possession of them and they were powerless to realise the real significance of the idea.

The co-operative movement in India is strewn with these instances. The old Indian rural economy was thoroughly

permeated by the co-operative ideal and all the communal institutions served to perpetuate it in various forms, and the illiterate villager was brought up from his childhood in this atmosphere. The disintegrating influences of the present age have either totally effaced or have weakened those institutions and have succeeded in obscuring the co-operative ideal with the result that the villager, with his limited mental equipment, finds it impossible to realise the true significance of the principle, which fails to make any appeal to him. This lack of response, this want of understanding is responsible for the present stage of stagnation. The Co-operative Credit Society in many cases has degenerated into a petty banking institution. This accounts for the fact that only those people who are on their last legs come to join the society and once they are able to improve their economic condition, they do not hesitate to run back to their old order. The society has not yet able to withstand the lure of the moneylender and this is

mainly because the member is incapable of appreciating the true meaning of the principle. On the other hand, blind adherence to the formula is responsible for many abuses which have crept in many of our societies. Lip service to the principle is merely the cover for many underhand practices, viz., the wilful default of loan repayment. Benami loans are quite common and cases are not uncommon where with a view to show a high percentage of realisation and to put forth a better outward appearance, nominal repayments are made while fresh loans are incurred simultaneously. These are all evidences of a moral depravity which a proper understanding of the co-operative principle would have served to remove. The best method of reforming these evils is not by coercion but by careful education, which will not only tone up the society but by raising the mental level of the members, will enable the society to expand in various directions. Mr. Wolff has very well said :—  
“Without education of the right com-

plexion to begin with we cannot look for very perfect co-operation nor very rapid advance or any extensive spread of the scheme." The importance of education for the growth of co-operative life was understood quite early by the pioneers of the movement, who have all along laid great stress on its importance both as preparing the ground on which to develop the co-operative edifice and as maintaining it in good condition. Robert Owen was a great champion of educational reform, while another co-operative worker, William King, longed for an entirely new type of education which would build up a stronger character. The Rochdale Pioneers included educational work in their first programme and took it up with great earnestness. The importance of general education as preparatory to co-operative development in India is greater than in European countries where the literary percentage is much higher. In Europe, Co-operative Organisations carry on their educational work on the assumption that the members

are literate and their efforts are directed towards supplementing that knowledge by teaching such subjects as are likely to broaden the mental horizon, to build up the character and to make the member able to receive the co-operative principle in India, the cooperator has not this advantage and he has to grapple with a volume of ignorance and conservatism which it will take years and years to reduce. Primary education with a co-operative bias must pave the way for co-operation. There are hundreds of societies in India, where there is not a single member who is literate, hence this large number of members cannot be reached by the word of the book. General education is needed to raise the level of intelligence of the people with a view to make them good members of societies and also to protect the present members from the evil propensities of more literate members. Mr. J. M. Mitra urges that "the nature of education which is meted out to the sons of cultivators of village schools instead of developing character

stunts their moral sense and encourages a tendency to live more on their wits than by manual labour and converts men into pettifogging touts." We require in the place of the acquisition of information in a number of subjects, what Mr. Bertrand Russell calls, an "Education of Character." Primary education must fit in with the environment and it must inculcate in the student a love for rural culture and impress upon him the great dignity of manual labour.

The problem of primary education is mainly the business of the state to solve, but the co-operator is vitally concerned as without it, co-operative development will never be satisfactory. It is the duty of the co-operators to help the Government in tackling this problem in as many ways as possible. The main obstacle in the path of rapid extension of primary education is finance and serious attempts are being made in various provinces to raise local taxes for education. Co-operators may assist these efforts of the Government by starting their own schools

where schools do not exist or by introducing a clause in the Bye-laws of Primary societies compelling the members to send their sons and daughters to existing school. The society's school can be financed in any one of the following ways. It is a common custom with Mohammadans as well as Hindus to keep apart a portion of their produce for charitable as well as religious purpose. This practice of Zakat and Agradan can be well utilised for raising a decent amount which supplemented by the "Sanicharra," payments of one half anna or more, made by pupils every Saturday ought to suffice for the teacher's pay. Another method of raising funds is by starting a Joint Purchase and Supply Society in the village the profits of which can be earmarked for the school.

The co-operative leader in India must realise that the expansion of Primary education is as much in the interests of the movement as in that of the Government and that a major portion of the profits made by the Central Banks

as well as by the Primary Societies must be entirely devoted for this purpose.

Professor Stuart realised that such a democratic movement could not long retain its strength unless all the members were fairly well educated and were capable of taking an intelligent interest in the management. He said :—"Education is desirable for mankind; it is the life's necessity for co-operation." Co-operative Societies in Lancashire, Yorkshire, and Scotland took up the work of imparting general education from out of their profits. Classes were started where their members were taught reading, writing, arithmetic and Elementary Science. Reading rooms were opened for members. Their efforts succeeded in impressing on the Government, the necessity of taking over this educational work in their own hands. Even after Government assumed control; the societies continued to supplement the State Schools by contributing funds for their improvement or by opening schools in new areas. In 1926 the Co-operative Societies spent £1,80,000 on



educational and social work. This activity is being managed by the Central Education Committee of the Co-operative Union, which lays down the programme, prepares text books and organises classes.

When the ground work has thus been prepared, it is necessary to provide for co-operation. The importance of this it is unnecessary to emphasise in view of the fact that till the members of the Society are perfectly conversant with the principles of co-operation and have a thorough familiarity with its rules, the society is apt to degenerate into a banking institution and the higher aspect of it will never be realised. Education for co-operation includes education in co-operative principles and rules for the members of societies as well as of the officers who supervise their working.

In India, the society is always in the position of a "patient in hospital," because the members have not grasped the principles of co-operation and they have to be spoon-fed by the officials of the financing agency. This is partly due

to their inability to understand the principles owing to their lack of general education, but mainly it is due to their lack of education in co-operative principles. Co-operative education should have preceded co-operative organisation and the members, at least the literate section of them should have undergone a course of training in co-operative principles before they were formed into a society and were asked to shoulder the responsibility of society management. Expansion went on at a rapid rate while the necessity of training was lost sight of. However the co-operative authorities have at last been alive to the importance of training. The Hon'ble Sir Muhammad Fakhruddin Kt., Minister, Bihar & Orissa, in his speech at the Provincial Co-operative Congress at Bhagalpore, asked the co-operative Federation, "to embark in an intensive campaign to educate the members of societies in co-operative principles." He stated further that "it was a mistake to establish co-operative societies without at the same time creat-

ing an agency for their proper training and education. In my opinion the time has now come when it has become of the highest importance to organise classes for the training of the members of co-operative societies throughout the province and to make such training compulsory at least for the punches of the societies." The Royal Commission on Agriculture has also urged on the necessity of this education. "The only remedy for these unsatisfactory conditions which appears to offer any sure prospect of success is the patient and persistent education in the principles and meaning of co-operation of the members of Co-operative Societies by teachers competent to perform the task efficiently under adequate supervision." Unless energetic steps are taken in this direction, the movement will gradually lose sight of the fundamental principle, viz. Self-help. The ideal should be that once the society has passed its infancy, it should be left to develop without any assistance while the hands of the supervising agency

would be free to organise and develop new societies.

Training of members includes instruction to all members in the principles and main points of the bye-laws, and the education of two or more selected members in book-keeping. The training in general principles should be held in the village itself before the society is sent up for registration. The teacher should stay in the village for at least one fortnight, cultivate the acquaintance of the prospective members and explain to them over and over again the principles. Lantern lectures are very effective for this purpose, and members should be encouraged to ask questions. The lessons should never be abstract in nature and discussions among the members should be encouraged. The class should be held in a public place, so that all villagers might come and attend. After the applicants have given sufficient evidence of their having assimilated the main principles, the application for registration should be sent up. This procedure on

the one hand will put a brake on hasty organisation while on the other it will tend to bring about a whole village organisation on a democratic basis for the satisfaction of common economic objects. The present system of organisation lays more stress on the drawing up of a number of statements showing the financial standing of the members and the most important fact of co-operative knowledge is lost sight of. Once the society has been organised the members will improve their knowledge if the annual and monthly meetings are regularly held and all the rules are observed. In addition to this, conference of groups of societies should be held twice a year in which the principles can be discussed and local needs and difficulties can be ascertained and remedied.

The village secretary is the pivot of the society and on him depends the success or failure of the organisation. His duties are no doubt heavy, considering the fact that in addition to the submission of an ever-increasing number of

statements for the Central Bank and the department, he has to keep the ledger and the accounts books, call meetings and write the minutes, carry on correspondence with the Central Bank and above all realise the repayments in time. He has great powers to do good if he is honest and enthusiastic or evil if he is disposed otherwise. It is desirable that the secretary should be such a person who has not only the mental equipment for the office, but has some spare time for this work. The post should be made attractive by the payment of adequate remuneration. The present system of paying him 10 per cent. of the net profits is not quite happy as the amount is too insignificant to attract a really good man and remuneration of this type is liable to fluctuation due to causes over which he has no control. We should introduce the German system of making fixed payments to secretaries. If this is done, the secretary can be expected to pass through a course of training for his work.

Every Bank should have a training

department manned by one or more officers who have received a training themselves. As soon as an application for the registration of a society is sent up, the prospective secretary should be asked to join the training class. Enthusiasm is usually strong up to the time of receiving loans from the Central Bank and the secretary will not fail to appear for the training even at his own cost. During this period, the secretary should be given a thorough training in the bye-laws as well as in accounts and in drawing up annual statements. The importance of this training can not be over-emphasised. If it is thoroughly done it will ensure the success of the society and reduce ultimately the cost of supervision of the Bank.

The training of secretaries of existing societies has been taken up in various provinces. In Bengal, groups of 10 or 12 societies within a radius of 3 or 4 miles are taken. Each group is placed under an examiner who is usually the local school or Pathshala Pandit and who is

paid a monthly stipend of Rs. 8/- or Rs. 10/-. These group examiners who are first trained by the supervisors under the direction of the Circle Inspector, conduct training classes for the rural secretaries who can easily walk from their residence. The classes are usually held from 1 to 6 P.M. and continue for 10 days. After this short course of instruction the examiner's role becomes that of "the friend, philosopher and guide" of the rural Secretaries, for he acts as a sort of head Secretary for the group always at the service of the rural secretaries in their daily work, helping them in correctly keeping the books of the society and in preparing their annual statements. The defect of this system lies in the unwillingness of rural secretaries who are practically unpaid to attend the classes regularly. Besides this, the group examiner is given an undue prominence, which can be abused if he is unscrupulous.

Bombay provides for a shorter course, 8 days after which an examination is



held. Each secretary gets annas eight per day when he is attending the class and the passed secretaries are taken round to visit model societies in other areas, so as to give them a better idea of the working of the societies.

In order to make the training efficient the men to be trained should be properly selected. It is no use attempting to train an illiterate or semi-literate person. Everywhere these classes should be held away from the homes of the villagers, as otherwise regular attendance can never be ensured and they will not realise the importance of this training. The period of training should not be less than one month and in addition to the teaching of the principles and accounts, the general knowledge of these people should be increased by all possible means. In accounts teaching, the work should be done by practical methods. The teacher should consider him to be a comrade of the taught and instead of talking to them about abstract principles, should by suggestive questions encourage them to

think and resolve for themselves on the questions vitally affecting them and their societies. They should be paid some remuneration for their attendance and those who do well in the examination may be given prizes or reward in any other form. After a course of training is completed, they should be taken round to see some selected societies and one or more agricultural farms in order to familiarise themselves with modern development in agricultural methods. At some intervals, refresher classes should be organised at suitable centres in the village to which the secretaries of the neighbouring societies can be called and given some training for three days. The importance of this class is very great as it prevents the trained person from lapsing into the previous state of ignorance. In Bihar and Orissa the present Registrar has introduced recently the "Circle System" by which the Inspecting Officers of the bank are placed in charge of a circle of 20 to 30 societies with his head quarters at some centre in the circle.

This enables the officer to keep a close touch with the societies and to train their secretaries. These supervisors can hold refresher classes on every Sunday at some centre which can be attended by the secretaries of the adjoining societies. This will maintain the quality of work at a high level and the result will in no time be reflected in the improved book-keeping of the societies. It is generally held that the work of training should be entrusted to the ordinary inspecting staff of the bank who are expected to do it whenever they have leisure. It has to be recognised that inspection and teaching are functions which are quite distinct from one another and demand a different type of mental equipment altogether. A good inspector need not prove a success as a good teacher and *vice versa*, hence it is wise to differentiate from the beginning and have a separate staff for the training work, who have specialised in this work. The ordinary inspectors of the type of supervisors as mentioned

above, may be entrusted with carrying on the weekly refresher class only.

The success or failure of the training given by these supervisors will depend largely on proper selection and the nature of the training they have received themselves. Ireland realised quite early that "unless the manager of a co-operative society was a co-operator himself, he himself, he could not rise to the possibilities of co-operative development, however efficient he might be from the standpoint of ordinary training." The co-operative officer, of whatever grade he might be, must have a genuine enthusiasm for the principle and above all he must believe in it. One fire kindles another, enthusiasm is contagious. If this warmth is wanting in the man, if the training does not succeed in enthusing him, the whole object of this education will fail and he will never succeed as a co-operative leader. This training must aim not merely at cramming a number of theories or ideas or a mass of rules in the student's brain but in so moulding his

character with the spiritualism which is the essence of the principle that he emerges from it with an altered outlook, with a benevolent optimism and a determination to lay down his life in the service of his fellow brothers.

The history of co-operative education in the various countries of the world is as interesting as it is instructive. Curiously enough, the earliest co-operative venture in Poland was a society formed by Stanislaw Stasgic at Hrubieszow in 1822 with a view to maintain four primary schools and a certain number of scholarships for higher education. The society appointed its doctor, ran its hospital and homes for the aged. This educational and humanitarian aspect has all along formed the background of co-operative development in Poland. Educational work occupies a prominent place among the functions of the Hotokusha in Japan. It includes "dissemination of common sense and scientific knowledge, observance of respect and religious rites as well as the cultivation of morality."

Many co-operative societies in Japan arrange for occasional courses of lectures given by professors, co-operative officials and other experts, while the training of the subordinate co-operative officials is conducted by the Japanese Co-operative Union. Classes are held for a fortnight, officials come from all over the country and the University Professors give lectures on Economics, principles of Co-operation and the principles and practice of Book-keeping. England has started a Co-operative college at Manchester which provides instruction in the higher branches of co-operation and affords co-operators opportunities to carry research work and specialise in various subjects connected with co-operation.

In Russia, the co-operative movement has not only improved the economic condition of the people but has made a substantial contribution to the intellectual progress of the country. In 1908 the Kiev congress emphasised the necessity of developing the educational side of the movement. It adopted a broad resolu-

tion which was "to foster whatever educational enterprise needed assistance; to build new schools, to publish literature dealing with co-operation and subjects related to it and in general, not to confine itself to co-operative propaganda only." As a result of this, the co-operators contributed to the funds of the rural schools as they realised that little progress could be made among a people steeped in illiteracy, until elementary education could be introduced into the villages and they were thus compelled to combine their co-operative propaganda with general elementary education. Very soon they felt the need of a large staff of technical instructors for the purpose of carrying on active educational propaganda. Training of co-operative officials had to be undertaken and the Moscow Narodny Bank started it by endowing chairs in Universities for teaching co-operation. In 1915 the Shaniavsky University started courses on co-operation, one elementary course in its theory and practice and the other, an advanced

course for University graduates. The Caucasian University at Tiflis went a step further. It opened branch classes in the working districts of the city where co-operative principles were taught in a popular manner and it started special classes for teaching subjects connected with the practical management of co-operative concerns.

The Russian Co-operative Congress started in 1918 a co-operative University at Moscow with a view to train co-operative instructors and secretaries of the Central Co-operative Organisations. It gives instruction also in commerce, business management, co-operative statistics. The funds are contributed by co-operative organisations in the country out of their profits and a close touch is maintained between the different societies and the University.

In addition to these, co-operators started clubs and theatres, peoples' palaces and Libraries throughout the country and "in order to do this sort of work on such an immense scale, the co-operatives



wisely based their enterprises on the self-activity of the masses, for which purpose they appointed special committee with local authority to carry into effect their plans in this sphere." The Archangel Co-operative Union purchased a Cinematographic outfit which was sent all over the district. The Union developed the organisation of dramatic clubs in the villages which were utilised for co-operative propaganda. Besides all these, the greatest contribution to co-operative education was made by the Press. The Centro Soyuz started publication of pamphlets and tracts on co-operation and other allied subjects and magazines for the peasants. "Another way in which the Centrosoyuz found a possibility of reaching the villagers was by means of wall calendars containing slogans about co-operation and giving a brief account of co-operative history, through year books containing similar items on a large scale, and through picture postcards especially decorated with portraits of leading co-

operators and inscribed with their achievements and sayings.”

In Italy, the Free University of Co-operation performs the same functions as the Moscow University while the Gioiosas afford a splendid opportunity for young men to form study circles and discuss different aspects of co-operation. Hungary has a Co-operative Seminary attached to the Economics faculty of the University at Budapest. Co-operation is not only a compulsory subject not only for the Economics degree but also in most secondary Schools. A High School for the study of co-operation has been started in Czechoslovakia and it is being maintained out of funds contributed by the Government as well as by the Co-operative Unions. The course lasts one year and instruction is given in all special subjects which have a practical bearing in co-operative activities. The school not only trains co-operative officials but also practical farmers who will be able to take up the management of co-operative undertakings as Secre-

taries or Directors. In France the National Federation of Distributive Societies arranges for lecture courses on distributive co-operation in various University towns and selected students are encouraged to visit different centres of co-operation in order to acquire first hand knowledge and to make a special study of different phases of it. By the creation of a Chair of Co-operation at the College of France, the Government of France has given advanced students an opportunity to make a scientific study of co-operative problems.

The list of co-operative institutions given above pointedly draws one's attention to the paucity of these institutions in this country. It is true that co-operation has been given a place in the Economics course in most of our Universities, but the time has come when it should be rescued from this minor position and made a separate subject altogether. It should form a part of the Matriculation course as a compulsory subject as this is the best method of spreading its principles

among the literate classes. In the primary classes lessons illustrating some co-operative principles should be put in the readers. Thus the entire educational system in all its stages should be thoroughly permeated with co-operation so that its message can be carried to all the corners of India within a short time.

All credit is due to Bombay for having taken the lead in co-operative Education. The Bombay Co-operative institute has started classes for instruction in all phases of co-operation and the success of the movement in the Bombay Presidency is to a large extent due to its educational efforts. The Bengal Co-operative Organisation Society started in December 1927 a Training class at Dacca where the Co-operative Inspectors, Auditors and Supervisors were trained for a fortnight. Two courses were taught. The Agricultural course included plant breeding and its economic aspects, improvement of crops, improved methods of manufacturing Gur and sericulture etc., while the co-operative course

consisted of History of Co-operation, Organisation and management of co-operative societies, co-operative finance, co-operative law, Accounts, Audit and Inspection. The Department of Agriculture assisted in the teaching of agricultural subjects and several new types of societies were visited.

The Punjab pays great attention to this training work. The Inspectors are mainly concerned with supervision and propaganda, while the Sub-Inspectors correspond to the Local auditors and supervisors of other Provinces. Practical training precedes theoretical instruction at the class at Gurdaspur. The Punjab Co-operative Union employs a number of Educational Inspectors whose main work is conducting classes for the training of probationers, Inspectors, Auditors and Supervisors, while they assist in the work of the Training Classes for secretaries of Primary Societies. The Sub-Inspectors on their appointment, have to undergo a course of practical training for 6 months after which they join the training class.

The Bank Managers and Bank Assistants are trained at Lahore under the supervision of the Chief Auditor and other Departmental Officers. The Secretaries of rural societies are collected at convenient places where the Inspector trains them for a week. A novel feature of the system is the holding of Refresher classes annually for the sub-Inspectors in which they are made acquainted with recent development in co-operative thought and practice besides instruction in agricultural methods.

The Bihar and Orissa Co-operative Federation took up the work of the training of co-operative officials in the theory and practice of co-operation in 1925. A scheme of training was drawn up, starting with a preliminary practical training in the Banks followed by a course of theoretical instruction in the class room. It was found that in practice this scheme did not produce very efficient workers as the practical training which the probationers got in the Banks was very meagre, hence the

time spent there was wasted. Then again, several months passed by before they could obtain employment anywhere, with the result that what that they learnt here, they rapidly forgot during this period of enforced idleness. Hence the system had to be modified and greater attention was given to the improvement of the training class which is now held at Sabour in the buildings of the old college of agriculture. The class starts in March and the course is completed by July. There are two courses, one for probationer Managers and Supervisors, the other for old employees, the latter is a very wise innovation introduced by the present Registrar. The class is being conducted by the Development Officer of the Federation assisted by two other competent officers. The theoretical subjects include Co-operative Principles, Co-operative Law, Propaganda, Book-keeping while instruction is imparted also in elementary agriculture, Public health, Veterinary Science and Industry. The students get close personal attention of their teachers in the

tutorial classes. Theory and practice of co-operation have been successfully combined here. The probationers are encouraged to hold annual general meetings of societies, to deliver speeches, to carry on auditing of societies. The mythical "Central Bank of Sabour" gives them a splendid opportunity of being familiar with transactions as they take place in actual life. Of greater importance than the class work there is the development of the real co-operative spirit among the students. They form with their teachers a happy commonwealth based on equality and love. Here we find not only education for co-operation but also education by co-operation. The Hostel is run as a co-operative organisation. Team spirit is also being encouraged in the field of sport. It has to be recognised that no co-operative official can prove a success unless he imbibes the co-operative spirit and co-operation is to him is not only his stock in trade but also his article of faith. Very few training Institutes in India



keep this object in view, as the trainer's work is usually believed to consist merely in imparting certain lessons and a mass of information on a particular subject. Greater success will crown the Sabour experiment if the course is made longer and the class is made permanent so that it might create an environment favourable for co-operation. These Institutes should send batches of students to the villages in order to practise propaganda and improve the rural societies. The value of this training is very great, as it not only brings the student in touch with actual realities and gives him a first hand opportunity of studying rural problems but it results in giving the members of the societies the necessary education in co-operation and a much needed impetus for self improvement.

Thus we find that in various provinces, training of officials is being carried on according to methods best suited to the locality. The time has come to review these methods with a view to co-ordinate these activities. The need for this is

perhaps not so very great so far as the training of the subordinate officials are concerned but much duplication of work can be avoided in the advanced courses of training if concentration is attempted at least in some directions. Co-operative education in India does not provide except at one or two places, for instruction in Stores management or in the management of industrial Societies. The dearth of good managers is one of the causes of the failure of the distributive movement in Northern India as, usually the man who has undergone a training in the ordinary co-operative course is placed in charge of these societies. There should be special courses at some training centres for teaching business management, salesmanship, market study etc. The only agency which can bring about a co-ordination of the activities of these training is the All-India Co-operative League which has just been formed. It should have a sub-committee with representatives from all the Provinces which will go through the

courses of studies offered by the different Provincial Institutes and make suggestions for their improvement. In this way only we can attain a higher standard of work every where along with the preservation of the characteristic features of all the local institutions.

Education by co-operation has attained a considerable measure of success in various countries. Its appeal to the impressionable student mind is irresistible and by making them practise the co-operative virtues, a generation is being built up which is not only co-operative by profession but co-operative in its outlook on life and its problems. One of the main reasons why the message of co-operation has not reached all corners of India is that we have not yet enlisted the rising generation of students as the messenger of this new gospel. The co-operative stamp impressed on the young men during the most impressionable part of their life will not only mould them a new but through them will kindle the drooping spirits and bring succour

and hope to our numberless unfortunate countrymen whom the present co-operative machinery does not reach or even if it reaches, does not inspire with the same hope and assurance as one among them who has himself received the blessing could inspire. Co-operators in India have not yet given serious thought to this. Amateur attempts have been made here and there to start various types of societies among students, to interest them in co-operative principles, but what is wanted is a national programme, clear cut and well thoughtout, which would be pursued by all educationists and co-operators, working jointly so that it would be possible to replace the principle of narrow individualism by the principle of mutual help and brotherhood.

One is struck by the success attained by the co-operators in France in this direction. The teachers of elementary schools have organised societies for children as well as for adults according to local needs and the whole country is a perfect net work of co-operative societies.

or mutual benefit associations, as they are called. These associations exceeded 4,000 in number in 1914 with a membership of 875,000 adolescents between the ages of 3 and 13 and 10,00,000 adolescents between the ages of 13 and 18. The main features of these societies are voluntary deposits, weekly dues of 10 centimes divided equally between a general relief fund and a personal deposit towards pension and annual benefits of a million francs to sick children. Branches are found in the lycees and colleges as well as in the Primary schools." Funds are raised for sending weak, sickly children to health resorts and co-operative forest colonies which have been started. A high state official thus gives his impressions of these societies. "One feels himself in the presence of a young, new, world which is being born into the customs of conscious democracy, voluntarily disciplined, what spirit in the organisation of fetes and such earnestness as follows when in the committee meetings there, are considered the admission of members, the

Bye-laws, the internal regulations, the agenda of conferences. The association of former pupils becomes for the working rural adolescent the school of liberty itself. The common purpose is to recreate, to instruct, to give mutual help. To day, thanks to the school, grounds in the better cities and villages are entirely transformed. Demountable stages and beautiful scenery painted by voluntary workers, improvised show troupes, orchestras, choral groups often fill with colours and sound the vast classic Saturday evenings and Sunday afternoons." The very fact that the entire organisation of these young men has made the school a real community centre and has given a valuable training in co-operative living which is the strongest foundation of social solidarity.

Poland encourages the formation of school co-operative societies of all types. The pupils are the members and they manage the societies which are usually of the consumers' store type. At the beginning of the term, a general meeting

is held to elect officials. The little children work as salesmen by turn for a fortnight and keep the accounts themselves. The profits are given away as dividend and also for any purpose which will promote the common good.

The co-operative stores as a means of giving a practical demonstration in co-operative principles and a training in co-operative practice for students, has been recognised by the educational authorities in the Latvian state. These societies sell school books, note books, writing materials etc. and the management is entirely in the hands of the pupils. On an enquiry into 83 school societies in 1926, it was found that 40 per cent. of the boys and 30 per cent. of the girls attending those schools, were members of these societies.

The account of this type of societies will not be complete without a mention of the Harvard University co-operative society. Many students were of opinion that if co-operation was beneficial for labourers, it would be as useful for the

poor students struggling their way through the University. In 1882 the society was started in a narrow room behind a Cigar store. Within 12 months, the membership rose to 300 and the turn-over exceeded 4000 dollars. In 1927 the membership was 7000 and the annual business was valued at 1 million dollars. The Society sells every article that students require and takes up the work of furnishing rooms. It now owns one four-storeyed building.

There is ample scope for this type of Society in India. School and College Stores exist in various parts of the country but they are not flourishing in most cases. Wherever the head of the institution takes some interest in them, there is some amount of success. This indicates that the movement has not taken root in the student community but has been imposed over it, not so much with a view to educate it, but to supply articles at cheap rates and to earn some profits. In a poor country like India, the cost of education has gone up very much and all



classes of students are denied an equal opportunity in Education. Among the items of college education the messing expenses, prices of books and college fees figure largely but co-operation can bring this education within the easy reach of all by lowering the cost. The tendency of starting residential colleges is daily getting stronger and large numbers now live in hostels and messes attached to the College. The students have to purchase their rice, flour, oil, ghee etc. daily at retail prices and the cost of food consequently is pretty high. This could be reduced if the students formed some co-operative mess, raising the funds by the sale of shares, and purchased the main articles of diet for the whole year, e.g., rice, wheat and pulses after the harvest at the lowest prices and Ghee in larger quantities at wholesale rates. This would mean a considerable saving in messing expenses per month besides giving the students an invaluable training in business management. In 1923 Bombay started the Madrasee Co-

operative Hostel with a view to provide decent boarding and lodging to the Madrasi residents in Bombay.

The next important item of expenditure is text books. The price of books has gone up and it is hardly possible for the average student to provide himself with all the necessary college books, besides some books of reference. This problem can be partially solved if a Book Loan society is started. The capital should be raised by shares and donations from well-to-do ex-students or philanthropists and the necessary books should be purchased, care being taken that only those books are selected which are rarely changed and are costly. These books should be lent out to the students on a small hire say one anna per month. The income may be utilised in repairing old books and purchasing new ones.

The case of the poor boy who cannot afford to pay either the college fees or messing expenses or both is certainly very pitiable. It is a national loss if a man of promise is prevented by poverty

from going up higher in the university. Many colleges have started Poor Boys' Funds from which doles are given out to deserving cases. Charity may be good for the man who gives but it is certainly demoralising for the man who takes and the help given by these Funds is bound to be very limited. It would be better if we could substitute the idea of credit by charity. Let these Poor Boys' Funds be converted into students' credit societies. Loans should be given to deserving students without interest for long periods repayable in easy instalments. Let proper securities be taken and to provide against loss due to the death of the borrower, his life insurance may be effected and the premium paid by the society and the amount be added to the loan. The funds of the society may be derived from the usual sources supplemented by contributions from the Central Co-operative Banks and by diverting the Reserve Funds of liquidated societies. The great merit of these societies is that a continuity of activity is maintained and an increasing

number of poor students can get this help and learn the benefits of co-operation.

Co-operative principles can very well be taught in the field of sport by organising co-operative clubs for physical culture as well as by the organisation of games, like foot ball and hockey which require team work. The idea of thrift may be inculcated by discouraging the wearing of gaudy dresses by the students and by starting thrift societies. Every student should be encouraged to lay by something out of their pocket allowances and to deposit this in the Society. The amount collected will be paid back to the depositor when he leaves the institution. The value of this society lies not so much in amassing a large fund but in creating the much needed habit of saving.

Thus we find that education by co-operation, wisely planned and pushed forward with determination, has great possibilities and it is capable of laying the surest foundation for co-operation by captivating the hearts of young people and by bringing them up in a co-operative

atmosphere. An eminent co-operator Mr. Edonard Petit has well observed—  
“The Co-operative Society is the best known and most popular institution through which social education is organised and strengthened in giving a convincing lesson in co-operative ethics. It establishes a bond of common interest among all members and amalgamates them into a unified whole.”

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## CHAPTER V

### **SOME EXPERIMENTS IN RURAL RECONSTRUCTION.**

Rural welfare is no longer a pious aspiration of the Indian intelligentsia. It has now been adopted as a principal plank of the programme of the various political parties in this country. The Non-co-operator as well as the Liberal agree about the necessity of Rural welfare, while the social reformer, the Educationist and the co-operative worker, each in his own way, is realising the necessity of evolving some scheme for remarking the villages. Some of these organisations have been initiated and inspired by well intentioned Government servants while others owe their origin entirely to the breadth of vision and enthusiasm of public workers. Some of these aim at the reform of a section of village life, while others hold to the necessity of an all-round and basic reformation so as to recreate the entire superstructure

and rehabilitate the ideals of village life. A study of these experiments and schemes is of great importance as it gives one an idea into the immensity as well as the diversity of the problem of Rural Welfare.

That organisation, well planned and well conducted can perform wonders is exemplified by the success attained by the efforts of the Council of Rural Economy in Gurgaon, in the Punjab in British India. The District of Gurgaon is one of the most backward corners of that land of the fighters, the Punjab, which has rendered signal services to the British Government during the last European War. The land is poor, at some places stony, while at others marshy or interspersed with low hills devoid of vegetation. Cultivation is rendered precarious by the extremely meagre and uncertain rainfall and it must be said to the credit of the sturdy Rajput, Gujar or Jat peasant that he has not given up the unequal fight with the forces of Nature in winning his food from the unyielding soil. Malaria

and plague claim a heavy toll every year. Owing to the terror caused by series of inroads from the North West Frontier during the Mughal rule the villages are constructed on the plan of forts with the hamlets all huddled together, so as to be able to withstand the attacks of the invader by joint action. The result is that these insanitary houses are breeding places for diseases of various types and it is no wonder that the mortality rate is very high. Illiteracy and improvidence are the two greatest evils of the former, and these are sapping the manhood of the District.

To such a district was sent eight years ago, a young and energetic officer Mr. F. L. Brayne of the Indian Civil Service, as Deputy Commissioner. Within a very short time Mr. Brayne found out that underneath the dead embers of the rural community the fire of life was yet smouldering. Crushed down by the rigid rules of Caste and held fast in the iron grip of the money-lender, the cultivator was sinking gradually in the depths of poverty and



misery, but hope, the main spring of activity was not yet dead. The desire for better living yet remained and it required an external stimulus to bring it out into full bloom.

It was felt that the programme of village uplift in order to be successful must be comprehensive including in its scope the improvement in the methods of farming, village sanitation, prevention of epidemics, and the education of men and women. Village uplift could be carried out not by paid officials of the Government who are new to the village but with the help of village leaders trained in the work of village reconstruction. The first objective was the creation in the minds of the villager, of the desire to improve his moral and economic condition, then came the refashioning of the system of education so as to bring it in line with rural needs and rural surroundings. It was realised that progress could not be rapid unless a number of men could be trained to take the lead in the villages. To carry out this object a school of Rural Economy

was started which taught courses on practical Agriculture, First aid, Infant Welfare, Public Health, Village Sanitation, Stock Breeding, Games and Propaganda work. These Guides are the real missionaries of the movement and its success is largely dependent on their work. They live in the villages and act as real guides, philosophers and friends of the people.

Rural uplift work has not been confined only to increasing the wealth of the district but it has attempted to transform the ideals and habits of the people. Afforestation schemes have been promoted to clothe the barren hills. Canal irrigation has been pushed on with a view to increase the cultivated area and to neutralise the deficiency in the rainfall. Better types of bulls have been introduced for breeding work. The women have not been forgotten. Female education is fast progressing, and in a country where the purdah is still powerful and no woman goes about unveiled, boys and girls are attending the same school. Infant welfare work is being organised by the School of Domestic

Economy for Women, which is the creation of Mrs. Brayne, wife of the Deputy Commissioner, whose services to the cause of the uplift of Indian Women cannot be too highly praised. Lady health visitors go to the village and look after the new born babies and their mothers. Trained nurses and midwives are also sent wherever necessary.

The work of propaganda is carried on by means of the publication of pamphlets, posters and pictures, while Special slides for the magic lantern have been prepared to bring home to the villagers the benefits of uplift. Singing parties have been formed to tour in the district and sing songs describing the principles of Co-operation and village uplift at village markets and fairs, by the fireside in the homes of the villagers, while uplift dramas are staged at village festivals. These are all calculated to expose the manifold evils of rural life and to suggest schemes of reform. Besides these, Exhibitions and Shows are held at various centres and prizes are given to the farmers

for improved crops and improved cattle. The Ploughing Competition which is held along with these shows is unique in India.

The quantitative results of the work of the Gurgaon organisation are very encouraging. There was no iron plough in use in this District in 1920 while in 1926 there were as many as 1600. During this period the area under improved wheat rose to 36,750 acres. In 1920 there were only 153 Co-operative Societies with a membership of 3303, Working Capital of Rs. 136224/- and Owned Capital of Rs. 14064, while in 1926, the number of societies and membership increased by six times, and the Working Capital has risen by 20 times and Owned Capital by 28 times. Formerly the number of Vaccinations against smallpox never exceeded 13000 annually, now it is well over 42500. In Education, the progress has been still more remarkable. In 1920 there were 10839 pupils in the schools, now there are 26744 and the number of girls in boys' schools is 1334, a thing the most ardent

social reformer of the last century could not dream of.

In the words of His Excellency Sir William Hailey, the Governor of the Punjab, "Gurgoan has been the pioneer in a movement which can at least claim the merit of making a direct attack on the problem of Rural uplift. Its author would be the first to admit that at the moment it is in the stage of experiment and has been able to touch certain aspects of village life ; but this may be taken for certain that it has already achieved valuable and encouraging results."

Several people have questioned the spontaneity of the movement at Gurgoan and have doubted how far it would stand after the enthusiast who is now guiding it is taken away from the district. Reformation of whatever type we may think of is always caused not so much by the spontaneous action of the nation, but by the masterful personality and unbounded enthusiasm of a leader. A Martin Luther was required to usher in the Reformation in Europe, a Kemal Pasha brought about

the transformation of Turkey while the Irish Agricultural movement was inspired mainly by the "conception of rural life which a small group" (composed of Sir Horace Plunkett, Rev. T. A. Finlay and R. A. Anderson) "gave to an industrialised, commercialised and urbanised world." Hence no wonder that the inspiration as well as the driving force in the Gurgeon work came from a person, who, not by reason of his official position, but by his unbounded love and sympathy was installed as the leader of the people and to whom the people opened up their hearts and appealed for "light, more light." The continuity of the work has been assured by the creation of a band of Village Guides. These will not only consolidate the ground gained but will push on the work farther and farther. The Guide is entrusted with a large variety of work *viz.* the supervision of the Credit Society, Public Health work including the collection of lists and preparing the people for Vaccination, Village Cleaning, Cholera and Plague prevention work, agricultural

demonstration, popularising the education of boys and girls and Rural Welfare propaganda. "In a word the Village Guide will carry out the whole gospel of uplift." These Guides are being given a through training in all the different branches of their work, so that they may be perfectly equipped for their undertaking and on the success of this training will depend the permanence of the effort. They are mainly recruited from the villages and after their training, they go back to their homes not to domineer over but to serve their fellow villagers and advice which might be looked upon with misgiving by the villager is accepted as gospel truth when it comes from one of their enlightened children. The other feature of this scheme is the Education of women and their instruction in Health rules. It was realised quite early that no scheme of rural welfare would be complete or enduring which did not attempt to raise the level of knowledge of the women, who "make and keep the home." If the women could be educated, the home would be trans-

formed and a real urge for welfare would come from home. The results so far achieved are very encouraging. "The people are thirsting for the uplift of their womenfolk and only require a little awakening to take steps to satisfy their thirst—clear proof of this can be seen in the schools where over a thousand girls have come crowding into the boys' schools in 18 months." Coeducation of boys and girls has far reaching effects as it means not only a saving in the cost of education but it establishes a better understanding between the two sexes so as to lay the foundation of a "happy home." The motto which the woman welfare workers have in view is significant. "The hope of rural India is the girls. Give them a fair chance and you will turn the village into a paradise."

Fundamentally different to the Gurgaon attempt is the scheme which another illustrious member of the Indian Civil Service, Mr. V. N. Mehta has launched at Benares. The object aimed at here is the rebuilding of the village organisation



through the revival of the Panchayat. Social evolution takes place only when the different social organisms are able to function actively, the atrophy or anaemic condition of a particular organism will not conduce to social growth. Hence the attempt is directed towards the revival of the social consciousness, and towards the creation of a group spirit in the villages. All the existing village institutions have been utilised to promote this. It has been found that the greatest appeal to the group-mind can be made through the Arts, hence group music and the village drama. Hence group music and the village drama have been encouraged, and Rural Welfare has found a place in the Ramlila and other folk dramas. Another method of bringing the men together is through the village festivals and fairs, when a large number of men and women come together and any welfare propaganda carried on at these reach a wide audience and make a great impression. The Scheme includes adult education, rural sanitation, medical aid, while economic improvement is to be achieved through agricultural improve-

ment, consolidation of holdings, development of rural industries and organisation of Co-operative Societies. Reform of the various abuses of the Society has not been lost sight of as these are calculated to improve the conditions of life. The marriage dowry and the extravagance in its celebration are responsible to a great extent for rural indebtedness. A well-known social reformer referred to it the other day in the following words—"This insidious poison is eating into the vitals of the community and the people are becoming totally impoverished on this account." By exposing the imprudence of these customs and by instilling in the ryots the courage required to rise above the baneful customs, the movement will effect a radical change not only in the entire outlook of these people but also in the social structure as well. Road development has not been omitted from the list of activities as it is a serious hindrance to rural development in parts of the country and bad roads are responsible to

a considerable extent for the narrowness of the mental horizon in rural India.

The agency for effecting these reforms is the Panchayat or a committee of village elders and progressively minded people of the village, which is also to be entrusted with the duty of dealing out justice in petty village disputes. These Panchayats will function as rural administrative agencies and these will form the District Boards, which will be perfectly representative of the whole District and will come into greater touch with the realities of the problems. Mr. Mehta very correctly points out that "in the present constitution of the Local Self Government the head has grown but the limbs have remained anaemic and undeveloped. We must now reverse the order and encourage the growth to spring up in villages."

The appointment of the Sarpanch has been left in the hands of the District Officer. In laying stress on nomination in place of election in the appointment of the Sarpanch Mr. Mehta has deviated from the well established practice in modern

Local Self Government in India. He takes his stand on the past history of Indian village institutions in which we find that the headman of the village was selected by the landlord or the ruler from out of a number of eligible villagers and this appointment was ratified by the tacit acceptance of the villagers. This principle of limited nomination is also met within the social organisation and in caste institutions, and it is wise not to abandon it all at once and adopt an exotic principle for the selection of a person who is to form the pivot of the movement and the driving force of the organisation. These Sirpanches are to receive a training in the Rural Reconstruction School at Benares so as to enable them to function efficiently. The country will watch this experiment with great interest as it is being tried in a locality which owing to historical causes has reached the high water mark of orthodoxy and conservatism.

The Benares experiment does not give sufficient prominence to educational reform and it bears visible traces of the

stamp of an administrator in its conception as well as in the ideals, while the Bolpur Scheme, which Rabindranath Tagore has initiated is essentially etherealised by the idealism of the Poet. He says—"there was a time when our villages were in intimate contact with the manifold culture of this land. Towns were administrative centres serving certain special purposes mostly of an official and professional character while for the complete purposes of the people's life the villages were cherished and served by all the capable persons of the land with the most of their means and the best that their minds produced. To-day, for various reasons, villages are fatally neglected. They are fast degenerating into serfdom compelled to offer to the ungrateful towns cheerless and unintelligent labour for work carried on in an unhealthy and improvised environment." He founded the Institute of Rural Reconstruction at Sriniketan, to bring back life in its completeness into the villages making them self-reliant and self respectful, acquainted with

the cultural tradition of their own country and competent to make an efficient use of the modern resources for the improvement of their physical, intellectual and economic condition. The Institute is not only a centre for training in rural welfare but that it offers a well thought programme of work which is being extended farther and farther gradually. By a happy combination of thought and practice, by a wise blending of the ideal and the real, problems of rural Bengal are being solved and a solid and substantial contribution is made to the rural regeneration of India. The programme of work includes, economic survey of the villages with a view to ascertain the deficiencies in the rural economy and the application of the principle of Co-operation for their solution. The Educational aspect of the programme provides for Night schools, Girls' Schools, adult education by circulating libraries, lantern lectures etc. and the organisation of Brati Balaks. Medical work has not been neglected. Outdoor dispensaries have

been started for the cure of diseases while Antimalarial and other organisations have been formed for the prevention and control of epidemics. Midwives have been appointed to look after child and maternity work in the villages. The field of activity of this Institute lies in one of the poorest and most insanitary parts of Bengal. One meets with decay and destitution every where. "In some of the villages 90 p. c. of the people are infected with the malignant type of malaria and children grow up with spleens which show the malarial condition of their blood as they carry about with them the malarial parasite." Destitution and disease have converted these people into miserable emblems of helplessness and hopelessness without any initiative, any will-power dragging their heavy load of misery from month to month till they are called away from this world.

The Poet perceived quite early that the only means of improving the present generation and of laying the foundations of progress was by training the young

boys in Social Service. These impressionable minds could be charged with the inspiration of public service and when they grew up they would make ideal citizens of the future. Better living would be to these boys instinctive and with that would follow better farming and better business. Boys from the neighbouring villages were encouraged to enrol themselves as Brati Balaks or Social Scouts and they were given instruction in "the Art of Livelihood with its House craft and Handicraft, the Art of Thinking and Co-ordination of Experience and the Art of Expression through games, Songs and the Drama." The educational training of these boys is given by the teaching of a special craft which is in consonance with the rural environment. Literary education is also given, and here too the touch with nature is maintained. The success of this experiment has been great and in course of seven years, 800 Brati Balaks have been enrolled and trained, and these have served as volunteers in cleaning up the villages and diffusing the ideas of



Better Living. They clear the village jungle, repair or construct roads clean up the villages by removing filth and dirt. The tanks have been repaired and provision has been made for pure drinking water in the villages. Rural Sanitation as the result of these efforts has improved considerably. "The spleen rate among children has remarkably diminished and in certain villages where there used to be malaria infection of about 70 p. c. of the population during the malaria season, there is hardly one malaria at all and the villagers have become healthier than ever before."

The Institute Farm serves the purpose of demonstrating improved agricultural methods and of supplying better seeds and implements. The Institute has tried with some success to increase the earning capacity of the ryots by introducing cottage industries like Sericulture and poultry breeding and by reviving dying industries like the Lac industry. The Annual Camps of the Boy Scouts and the Mela at Shanti-Niketan

are attended by the people of the whole countryside and instruction in the various aspects of Rural Welfare is given to these people, who carry these to their homes. Thus Tagore's ideals combined with Elmshirst's keen capacity for organisation have certainly set the ignorant rural population of Bolpur on towards "Co-operation for life, fuller and more abundant life, both spiritual and material."

It reflects great credit on the Y. M. C. A., that they were almost the first to realise the importance of rural reconstruction and to start their experiment on an intensive scale. Their programme of work includes "removal of illiteracy, improvement of agriculture, development of Cottage industries, economic relief and the resuscitation of ancient rural institutions." Ramanathapuram near Coimbatore was made the centre of work which extended to a number of villages within a radius of 2 miles. Attempts were made to prepare the ground for Rural Welfare work by the organisation of Co-operative

Credit Societies in this area, and as the result of 2 years' work, 39 Societies with a membership of 2982 and a working capital of Rs. 2,80,224/- were formed. These Societies were utilised for the purpose of creating mutual confidence among the members who were thoroughly educated in the theory and practice of Co-operation. Lectures were given from time to time on a variety of subjects with a view to stimulate their desire for knowledge and to widen their horizon. The training which the working of these Societies gave in joint action besides relieving the members from the heavy burden of indebtedness was invaluable and the introduction of the other items of the programme e.g., Cottage industries was considerably facilitated. Weaving centres were opened and 90 men and children were trained in weaving besides carding of spinning of cotton. The next industry to be introduced was Dyeing in which the dye stuff used were made from barks, roots, seeds and leaves. Fourteen young men from 14 villages were instruct-

ed in the methods of Dyeing and some of them, including three educated Brahmins, have taken up the profession of dyeing while others have gone back to their friends and it is expected that within a short time this industry would revive in this area.

The small farm at Ramanathpuram under the guidance of the officers of the Department of Agriculture has succeeded in demonstrating improved methods of cultivation to the villagers who are brought there in batches while the experiments carried on in the plots of the ryots are equally useful in convincing them of the utility of these methods. Improved implements are supplied to the Co-operative Societies which are lent out to the members on the payment of a small hire.

Several young men were trained for the work of teaching adults and boys in the shortest possible time to read and write the vernacular as well as to do simple arithmetic. The Daniel method of teaching which was introduced proved a

great success and these trained teachers were sent to the villages to start adult night schools as well as boys schools and the village elders have been so much impressed by the work done by these schools that they are contributing liberally to their funds. Some of the pupils of the Night Schools have been trained in acting and occasionally dramas having true educational and moral value are staged which make a profound appeal to the masses. About 500 people witness these performances and through them those people who would not like to receive instruction at night schools, are approached and their morals are improved. Like the pictorial instruction given at Sriniketan visual instruction through exhibitions and demonstrations on carding, spinning, weaving and poultry rearing are given at market centres on market days. Detailed information is supplied on these occasions on seeds, manures, implements. The Gramophone, the Magic lantern and the portable Cinema have been utilised for making propaganda

impressive. The introduction of Poultry farming in this area has added to the wealth of the community. The Y. M. C. A. runs a demonstration poultry centre from which eggs are supplied to the villages and private poultry yards are periodically inspected and expert advice is given. The white Leghorn breed has been successfully introduced in these parts. During the Summer Vacations, the teachers of rural schools are brought together and trained for a month in the Theory and Practice of Co-operation, Weaving, Dyeing, Poultry Farming and in an elementary course in agriculture. Examinations are held at the end of the course and prizes given to the successful teachers. Communal jealousies exist no doubt in these parts but games have been introduced not only to encourage physical culture but also to unite men of all castes and religions on the field of sport." The Moplah lads there, are given a football to kick about in the evenings and periodical matches are played with Hindu teams. Some times a combined team of one village plays against

the similar one from the neighbouring place. "These and the Panchayat meetings of the co-operative societies are the Unity Conferences in Malabar and they promise well for the future."

The Madras Provincial Co-operative Union has taken up the work of Rural reconstruction in earnest on lines laid down by its President, Hon. Mr. Ramdas Pantulu. The aim is not to concentrate the activities at one village as a whole village organisation which Mr. N. K. Roy of Bihar and Orissa has long suggested, but to extend them to a group of villages within a radius of seven miles. "The reconstruction of the mentality of the villager by education and propaganda specially in the social and economic spheres of rural life" has been aimed at and the satisfaction of both the business needs and social needs of the farmer will be included in the programme. A trained rural welfare Supervisor has been posted at each centre who will organise a Co-operative Credit Society, a village Panchayet under the Act of 1920, an

elementary school for the village children and a rural dispensary for medical relief." The village Panchayat Act of 1920 gives the Panchayat full control over the village officials, administration of village commons and empowers it to renovate village tanks and repair roads. The Supervisor will carry out an intensive study of local needs and deficiencies and give expert advice to the Panchayat, which will take steps for removing them. Education should be made free and compulsory and village libraries should be started wherever possible. The Government makes adequate grants to these schools and more funds for their improvement can be raised from Co-operative Banks or Co-operative Societies. The business side of rural reconstruction will be furnished by the organisation of various types of Societies for credit, for purchase of seeds, manures and the necessaries of life as well as for the sale of the produce. A primary Land Mortgage Bank should be started which will take over the entire indebtedness in the villages and reduce it gradually in a



number of years. Efforts should be made to improve the housing conditions of the members of depressed classes who should be freely made members of the Societies. It will be the duty of the Supervisor to study local conditions, make suggestions to the Panchayat and assist them in carrying them out in practice, while he will be the channel through which the villagers get the expert assistance of the Departments of Agriculture, Veterinary, Public Health, Department of Agriculture, Veterinary, Public Health and Industries. Training classes are held for these Supervisors in which courses of lectures on a variety of subjects are given.

The Pantulu scheme bases the entire programme on the statutory Panchayat as it is infinitely more advantageous to work with an existing institution instead of starting new ones, and the Act gives these Panchayats full powers which if wisely used are calculated to make village life ideal. It has been pointed out by some, however that these Panchayats have so far failed to realise the importance of the

duties assigned to them by the Act. "Panchayatdars hardly ever meet even for their legitimate business and one grows sceptic about the influence the Supervisors might have to make them meet often." Hence the condition precedent for the success of this scheme is the education of the Panchayatdars themselves. Regular training classes and conferences at frequent intervals should be organised to educate these men in their work and wherever possible, inefficient members should be weeded out otherwise the money and labour spent in rural reconstruction work will not be productive of useful results.

Mr. Venkatasubbayya's report on Rural Reconstruction in Alamuru in East Godavari District gives us a good idea of the work that is being done in one of the most thickly populated tracts of the Godavari delta. The results of these activities are very encouraging. The rate of interest on loans has gone down appreciably and the money borrowed from the Co-operative Societies is now

being utilised for market gardening which is highly remunerative." The spread of the Co-operative Movement has fostered public spirit in the people generally. It has taught them to think of the common good and make sacrifices for it. It has taught them also value of organisation. They take a keen interest in all elections and a large percentage of them attends the polls." The decrease in litigation is remarkable, the number of money suits in the area having fallen from 70 per cent. of the cases instituted in the local Courts to 5 per cent. The Panchayats have become very active and they have improved the water supply by renovating and repairing old tanks and by constructing new ones. Educational progress has also been remarkable, "the parents now realise the importance of sending their children to school." A number of well attended Libraries have sprung up in the area. Drinking has been abolished and this area, which once had a very bad repute, has become completely "dry".

The truest conception of Co-operation as an agency in rural reconstruction has been set forth by Mr. N. K. Roy, Deputy Registrar of Co-operative Societies, Orissa in his paper entitled—"Quo Vadis". He enunciates the thesis that the Co-operative system which we contemplate may be described as a great system of adult education."

It is primarily a School for propaganda—propaganda of new ideas—ideas with a practical bearing on life, ideas which will help to lift the people out of the dead level of inaction and helplessness—new ideas which will establish for all time those foundations on which our great goal of Swaraj must rest—ideas which help to remove the great evils of untouchability and religious animosities and establish in their place a spirit of toleration for all and sympathy with the fallen and down-trodden." He lays great stress on the influence of Co-operation in bringing about moral improvement which will lead to economic development. In order to achieve this, it is of paramount import-

ance to "take the whole village as our unit and societies should be organised for the whole village and not merely for a small section of it". Whole village organisation will certainly speed up rural welfare but fettered as the Co-operative Society is to-day by the rules about liability it is too much to expect that the more solvent and the more intelligent sections of the village, would be willing to join the backward and financially shaky members in forming the Society. In a few cases success may have been gained but these cases can not be very many. This difficulty can be removed and the chances of whole village organisation can be increased if we can introduce the German alternative of limited liability with additional liability for persons who are financially weak. However, Mr. Roy has tried to translate his ideals into practice and at Palwal in Chotanagpur at least he has succeeded to a remarkable extent. There a comparatively backward community is successfully running a Co-operative Society with

a thriving School built by them with funds raised entirely from the village. Organisation has succeeded in bringing about an all round transformation of the village.

From the account given above of the different attempts at Rural reconstruction which are being made in various parts of India, one thing emerges clearly, viz., the success of these attempts will lie in our looking upon the village as a Social organism, which lives, grows and decays and is capable of being revived. Like all organisms, the vitality of the village can be kept up not by the application of external stimulus but by developing the different limbs and making them strong. The corporate consciousness of the village testifies to the life of the organism. The work of Rural Reconstruction in India consists in revitalising the village organism by bringing back its corporate consciousness through the strengthening of its limbs. The village Community will have to be recreated and the State of

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the future will be built on an organisation of these strong, well-knit and well-formed village institutions.

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