

**CO-OPERATIVE FARMING
IN
GUJARAT**

**(A STUDY INTO THE WORKING OF THE
CO-OPERATIVE FARMING SOCIETIES IN GUJARAT)**

Prepared by

**The Gujarat Co-operative Farming Survey Committee,
Ahmedabad.**

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**AN SOCIETY OF AGRICULTURAL ECONOMICS
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THE INDIAN SOCIETY OF AGRICULTURAL ECONOMICS

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FOREWORD

A network of co-operative institutions at various levels and for various activities have been envisaged as a pattern for future rural organisation. Village Panchayats and Co-operatives have become symbols of a new social and economic order in the rural area. The Indian National Congress at its 64th Session at Nagpur passed a Resolution on "Agrarian Organizational Pattern" which stated that "the future agrarian pattern should be that of co-operative joint farming, in which the land will be pooled for joint cultivation." It was further stated that "as a first step, prior to the institution of joint farming, service co-operatives should be organised throughout the country. This stage would be completed within a period of three years. Even within this period, however, wherever possible and generally agreed to by the farmers, joint cultivation may be started."

The decision to adopt joint co-operative farming as the future pattern of agricultural organization has given rise to a bitter controversy. While the question is being debated, an objective study of the working of the existing co-operative farming societies in a region would be of great value in taking an informed view on the subject. It is not suggested that the experience of the working of the existing co-operative farming societies should be considered as conclusive; but neither can it be totally ignored. As a part of a National programme and with proper planning and guidance, the pattern will certainly yield better results.

In 1955, the Research Programmes Committee of the Planning Commission approved a scheme for the study of co-operative farming societies in Gujarat. The Survey was conducted under the guidance of a Committee of Direction and advice of the Indian Society of Agricultural Economics. The Committee of Direction consisted of persons with very intimate contact with the people of rural Gujarat and some of them had long association with the co-operative movement. Shri Vimal Shah, the convenor of the Committee of Direction, had himself sponsored a co-operative farming society. In all, the working of 83 societies was examined and 24 out of them were selected for intensive study. The enquiry related to the period from 1949-50 to 1955-56. Detailed case studies of the members of 10 societies were undertaken with a view to finding out the impact of co-operative working on the economic conditions of the members.

This study was sponsored by the Research Programmes Committee of the Planning Commission and was financed by a grant from it. The Research Programmes Committee has also been good enough to meet the cost of printing and publishing this report.

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The general pattern of investigation, organisation and technique was recommended to the Committee of Direction but the actual technique of study, analysis, etc., followed by the Committee are largely of their own and that the Planning Commission or the Research Programmes Committee accept no responsibility for the facts and opinions stated in the report.

The Indian Society of Agricultural Economics has pleasure in publishing the results of the Survey and hopes the publication would make some contribution to the dispassionate study of this controversial issue.

M. L. DANTWALA.

PREFACE

The Bombay State was foremost in launching the Co-operative farming movement in the country. It is still leading other States in this respect, because it has provided in the Second Five Year Plan both for consolidation and expansion of the movement. While the total provision made for the purpose in the First Five Year Plan was of Rs. 20,89,000, in the Second Plan a provision of Rs. 27,75,000 is made for it. The emphasis in the Second Plan is on consolidation of work. At the same time registration of 100 new societies is also envisaged. Some of the features in the Second Plan Scheme, are in consonance with our recommendations, as mentioned in the body of the report, and deserve appreciation. For example, the recommendation to give trained and efficient managers to the societies or to provide for training of the members of the societies is already there in the Second Plan Scheme. Another important provision made in the scheme is of intensive development of 25 societies. These would serve as models for other societies and agriculturists of surrounding localities. What we would now emphasise is creation of both official and non-official permanent bodies to provide continuous guidance to the societies, active association of the agricultural department with the activities of the societies and to make definite arrangements for crop finance. It would also be in the interest of the movement, if the existing societies which have done pioneering work and which are undergoing setback owing to defective schemes are given a helping and encouraging hand and put on an even road thus clearing the clouds of fear and suspicion for the future movement; and if certain areas as a whole are intensively developed, and a large number of Co-operative Farming Societies are organised there. This would help in creating the necessary psychological atmosphere. Our present study is important not so much for showing the bright careers of successful farming societies, but for discovering from the failures of some societies the defects in the old schemes of co-operative farming. We hope it will serve as a lighthouse for the ships of co-operative farming which are just preparing to emerge into the ocean of Indian economy.

The Co-operative Farming movement has, in our humble opinion, a bright future in the country because it is the need of the day. To develop the co-operative farming movement on right lines it is obvious that a phased programme will have to be planned. To begin with, in view of the perfectly voluntary character of co-operative farming societies insisted upon by all concerned in the country and considering the present psychology of the agricultural population, organisation of service co-operatives to cover all villages will naturally be the order of the day. At the same time however, the function of service co-

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operatives need not be restricted to minor services as in the case of better farming or tenant farming societies. In fact all attempts should be made right from the beginning both at the government level at the top and more so at base level by the agriculturists themselves to adopt all pervading co-operative activities, to cover even higher forms of co-operation such as pooling of resources, joint management, unified crop planning, bulk purchase of farmers' needs ; bulk sale of all their agricultural produce, catering to the social needs of the members, their families and even those of others in the village with a broader outlook as to the interests of the country and the humanity at large. It is therefore hoped that service co-operatives shall become the pilot cars of the co-operative farming movement in our country, and lead ultimately to higher forms of co-operation such as joint farming.

The terminology "Co-operative Farming Society," it may be noted at this stage, is understood in the ordinary parlance and the text-books on this subject as including co-operation in production. This is therefore distinguished from "service co-operative" which is only "resources society," which does not undertake any production activity and does not employ its funds in any joint production enterprise. In this study however, the term "co-operative farming society" has been used for examination of the working of collective farming society and the joint farming society on the one hand and the tenant farming society on the other hand. But the collective farming and the joint farming societies could also be termed as genuine co-operative farming societies. Tenant farming societies should be known and treated as service co-operatives henceforward.

To develop the whole movement of co-operative farming on right lines it would require periodical assessment as done in this study.

We would like to thank all those who have given their active co-operation in this study. Particular mention must be made of the Research Programmes Committee of the Planning Commission who sponsored this study and gave us a very liberal grant of Rs. 9735/- for it. Prof. M. L. Dantwala who acted as our guide, the Indian Society of Agricultural Economics and its President, Shri Manilal Nanavati who associated themselves with our work, the Registrar of the Co-operative Societies in the Bombay State who gave necessary instruction to his officers to give their co-operation in the study, Dr. C. H. Shah, Lecturer in the School of Economics, University of Bombay, who is also a member of the Committee of direction for the study, and Shri M. H. Patel, another member of the Committee, Miss Vishakha Mehta, its office-secretary, and office-bearers and managers of all the Co-operative Farming Societies in Gujarat who have supplied us all information very willingly. We thank them all.

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