

Background papers presented at the

Regional

COOP. FARMING WORKSHOP

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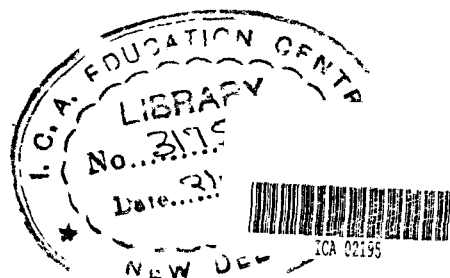
DEC 5-19 . 1962

Inaugural Speech of Mr. Ali Nawaz Gardaji, Minister for Co-operation
~~Mr. Riazuddin Ahmad, Miss Polly, Ladies and Gentlemen,~~

I consider it an honour to be called upon to inaugurate the South East Asian Conference on Cooperative Farming. I am myself a farmer and, apart from being officially in charge of the subject of Cooperation, I am deeply interested in this nation-building activity and consider it the only means of achieving the economic and social uplift of rural masses. I am thankful to you for associating me with the proceedings of this conference and giving me the opportunity of meeting cooperative leaders and experts of international status.

2. The International Co-operative Alliance as the highest organization of the Co-operative Movement needs no introduction from me. It is a matter of great pleasure to us that the International Co-operative Alliance has extended its activities to the developing countries, especially the countries of Asia. This Seminar is a symbol of its abiding interest in helping to place the Co-operative Movement of our countries on a sounder footing. It provides an opportunity for thinkers of Pakistan, India, Thailand, Ceylon and Malaya to get together and plan on successful evolution of plans and theories which would enable a new attention in the drive for increased production, better incomes and higher living conditions. On behalf of the people and Government of Pakistan, therefore, it is my pleasant duty to welcome

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the International Co-operative Alliance, the organizers of this Seminar and the delegates of the countries who are represented here.

3. The Co-operative Movement as the effort of small men to get together to fight adverse circumstances and to better their own conditions, is as old as history and has been the main-stay of all corporate human activities. The operation of the family, the tribe and the Government is but a practical application of the concept of Co-operation. Strictly speaking, however, the modern Co-operative Movement is not very old. It came into being as the result of the desire of the artisan, the labourer and the small farmer to pool his resources and efforts to live in circumstances where larger and larger organizations became an economic necessity. The circumstances necessarily put the emphasis on supplies and marketing instead of actual production. The success of the movement in these fields in the last ^{one} ~~three~~ centuries has established that between the free private effort of the individual as symbolised in modern capitalism and the joint ventures of the State and the producer as demonstrated in Communist States, there is a third force in which

combined efforts of men of small means can give successful and adequate results.

4. Co-operative efforts, however, remained limited in the actual field of production till a very recent past. The controversy over state and party control in Communist endeavour and the experiments in ~~joining~~ farming in several countries had compelled thinking in development of co-operation for agricultural production. Limited co-operative endeavour in providing finances, technical know-how, tools etc., has been successfully tried. Joint ownership of land and joint farming has, perhaps, not as successful a history. It may be for the East to provide a via media which may point the way for successful co-operative effort in this field.

5. It has been a matter of considerable interest to some of us to trace co-operative elements in tribal and communal societies, especially in the East. We, in this country, are familiar with the organization of the village community which, unfortunately, is no longer a reality. We are familiar with the fact that in spite of countless invasions, marches of marauding armies and the movements of conquering tribes, the life in the villages of the East continued in its patient and calm

stream. The village communities seldom resisted external force but bowed their heads for the time being and continued with the even tenure of their ways. That fact has only been recently recognised and efforts for community development in so many countries are a mere recognition of the efficacy and the success of this organization.

6. The village communities were not only in the past an administrative and political reality but had reached an economic development of a fairly high order. The land was owned by the largest section of the community and the artisan, the small semi-industrial worker like the carpenter, the potter, the blacksmith and others, the shop-keepers and the money-lender, were a part of the community even though they did not belong to the land owning classes. The land was held by the community as a whole but became the property of the individual who successfully brought it under the plough. The whole community or a section of it combined together in preparing land for sowing and worked together when harvesting crops. Where irrigation was applied, the means of irrigation were controlled and operated co-operatively by the individuals who were interested in the result. Even now these features exist in our agriculture and what is

true of Pakistan is true of all the countries represented here, especially in the small farms sector.

7. These remnants of economic co-operation are a base on which a replanning is possible. This replanning is going on in several forms in our countries and its most ambitious pattern is what has been called 'Co-operative Farming'. In several countries of Europe and America, developments on small scale had been going on in this field. The Mexican and the Italian experiments have successful features which provide pointers for our guidance. The massive experiments in Russia and China in co-operatisation of agriculture may perhaps be left out of consideration as their ultimate objective is collectivisation on a different basis.

8. What exactly is a co-operative farm is a matter of opinion. Some believe that there is no co-operative farming without joint ownership of land or at least joint operation of the means of production. Others believe that successful co-operative farming must continue to be limited to the availability of tools for production to individual holders for their individual use with possible joint efforts on special

occasions. Yet, others believe that mere provision of facilities, capital etc. is all that can be attempted.

9. These widely different views need not be reconciled. Co-operative endeavour will succeed in accordance with acceptance by the people concerned and that acceptance must depend upon the psychology, emotions and the education of the people affected. If we can re-create an economic organization in the villages which can successfully fight the battles of the producers in the conditions of today, if we can enable our farmer to invest in agriculture and increase his production, if we can get the benefits of large scale farming from a combination of small farms, and if we can help to get him the best monetary returns from his endeavour, whatever methods are used, they will result in success. I feel that if we can base our approach on the existing co-operative element in our agriculture, we would certainly be able to reach the farmer who is hampered by traditions of thousands of years.

10. Before closing, I would like to emphasise that the Government of Pakistan is giving co-operative effort a high priority. After careful thought Government

have concluded that co-operative organization is the most effective instrument of accelerating the economic development and the principal means of promoting social justice. They feel that vast resources of human labour and finance which lie spread in the country should be organised on a co-operative basis and small producers of all types - farmers, labourers, and craftsmen - should be encouraged to form co-operative societies in a spirit of self-help and mutual aid so that they may contribute their highest potential to the economic and social life of the country. Government further feel that political democracy cannot succeed unless it was accompanied and backed by a successful economic democracy. The co-operative movement which represents a system of economic democracy has great potential as an instrument of national advancement and they have, therefore, decided to give full support and assistance to the organization and development of co-operative societies in all fields of economic activity. Keeping the above principles in view, a number of decisions of far-reaching importance have been taken and announced by Government. Some of them are :-

- a) The small land holders should be encouraged to form co-operative societies with the help of incentives. These incentives would be in the

form of (a) subsidized services, such as extension services, fertilizers, insecticides and improved seeds; and (b) subsidised machinery, such as tractors, tube-wells, etc.

- (b) In the case of small land holders who do not agree to group themselves into co-operative societies even through incentives, disincentives in the form of fiscal measures would be adopted such as the penalisation of incorrect use of land and water. The term 'Small Land Holders' in this context was taken to mean persons who own upto $12\frac{1}{2}$ acres of land in West Pakistan and upto 4 acres in East Pakistan. However, even those who had more land would be free to join the co-operatives.
- (c) One of the conditions of allotment of State land would be that the allottees should, as far as possible, join a co-operative farming society, but this condition would be carefully considered before it was enforced.
- (d) In the matter of distribution of available resources, viz: tractors, implements, etc., preference would be given to co-operative societies over individual land owners.
- (e) If tractors were not available and the co-operatives wanted them, when Government would make efforts to get them. The dealers would also be required to give priority to co-operatives. The cash ceiling will be raised to import more agricultural machinery. The same facilities would be extended to power pumps and tube-wells required for East Pakistan.

(f) Incentives for increased production would be given even to those who remained outside co-operative societies or tilled their land without mechanisation.

11. Pakistan is happy that it was selected for this important Seminar. We would be looking forward to ^a~~the~~ successful conclusions of your deliberations to help us in taking policy decisions.

Ladies and Gentlemen, I declare the Seminar OPEN.

Address of Welcome by
Mr. Riazuddin Ahmad, Chairman,
Cooperative Development Board, West Pakistan

I welcome you to this Conference of the South-East Asian countries and thank you for gracing this occasion. This Conference has been organized jointly by the West Pakistan Co-operative Union and the International Co-operative Alliance, which has established an Education Centre for South-East Asia in Delhi. It is being attended by representatives from India, Ceylon, Thailand, Malaya and Pakistan, and we have the privilege of having in our midst today, some of the eminent co-operative leaders and experts from these countries. We are grateful to them for their taking the trouble of coming to Pakistan to exchange their experiences with us and we hope that this mutual exchange of knowledge and experience will result in the formulation of plans and policies which will usher in a better and happier era for the rural populations in the South-East Asian Region.

The subject of this Conference is "Co-operative Farming", which is a comparatively unfamiliar and controversial subject. The co-operative movements of the countries in this Region have so far concentrated their attention on Credit, Marketing and Supplies, and the interest in Co-operative Farming is of recent origin. Most of the countries participating in the Conference are those which have won freedom from colonial rule after the second World War and have organized their political and civic life on a democratic pattern. The fact that the supreme power now vests in the people, and the people of these countries live mostly in rural areas, has made it absolutely essential that every effort should be made to enlighten the rural masses and to improve their social and economic conditions. If the prosperity of the rural areas is to be increased, Agriculture must be modernized and more productive methods of farm management must be introduced. The problems of fragmentation of holdings, of small uneconomic farms and of out-moded methods of cultivation must be solved. Experts are now agreed that one of the effective methods of solving these problems is the introduction of Co-operative Farming. But co-operation in cultivation is not easy to achieve. This is because the average farmer is much too conservative and

much too jealous of his own little freedom to join hands with others and pool his resources, particularly the rights of cultivation or ownership of land. Again, the mere willingness to join hands or pool resources is not enough. The actual working of a Co-operative Farming Society is fraught with many difficulties and pitfalls and it is, therefore, only fair that before a farmer joins a Co-operative Farming Society, he should feel convinced about its smooth and successful working. The use of machinery in Co-operative Farming makes the situation still more difficult, as it brings in its wake the problems of maintenance and repairs and also restricts to a considerable extent, the freedom of the farmer to cultivate his land. The object of this Conference is to examine all the implications of co-operative farming in detail with a view to finding solutions of the social, economic and technical problems involved. The Conference will, therefore, take the form of a workshop in which co-operative leaders, economists, practical farmers and other experts will exchange ideas and experiences.

The term "Co-operative Farming" itself needs to be clearly defined. It has been understood differently in different countries and the systems which are

designated by this term range from a loosely knit service society supplying seeds, fertilizers and other agricultural needs of the members to a strongly centralized collective farm of the Russian type. As co-operation is an activity of the people, it is difficult to lay down a rigid pattern to be designated as Co-operative Farming, but it is desirable all the same to define what a Co-operative Farming Society is. Different types of organizations have come into existence in a number of countries, prominent among them being Yugoslavia, Italy, India and Pakistan and sizable experiments have also been made in Egypt and Thailand. The patterns evolved in the various countries will be studied in this Conference and an attempt will be made to narrow down the definition as far as possible.

Whatever the definition of "Co-operative Farming", the adoption of a co-operative system whereby small farmers will perform joint operations on land, is of immense importance to the countries in the South-East Asian Region. The present farm management is extravagant and uneconomic, and the individual farmer is too poor, ignorant and lethargic to look after himself. He needs the strength, which comes by the pooling of capital and other resources and he needs training in the art of

democratic management of his economic and social life. Co-operative Farming can go a long way to achieve these objects and to create a more prosperous and enlightened rural community.

In West Pakistan, an interesting and valuable experiment has been made in the field of co-operative colonization and land management. An area of one lac twenty thousand acres comprising scattered blocks of 500 acres or more in the districts of Multan and Montgomery has been developed by small farmers on co-operative basis and 120 villages have been established in these blocks. Most of these villages have established new abadis with well-planned roads, houses and community buildings such as offices, godowns, mosques and schools. Wells have been sunk, trees have been planted and the entire administration of the village is run on co-operative basis by a managing committee elected out of the members. Thirty of these villages have now taken to mechanised farming and are using tractors on the small farms of their members. Seeds and fertilisers are purchased on co-operative basis and marketing is also done jointly. Agricultural production has more than doubled in some of the villages and the small rural

communities have become accustomed to managing their own affairs in a democratic manner with self-confidence and a sense of responsibility. This successful experiment of co-operative colonization and land management points to a new way of development in the newly irrigated areas and sufficient experience is now available to justify a re-consideration of the entire policy of distribution of land in these areas.

Another project has recently been established on 20,000 acres of land near Thatta in the Ghulam Muhammad Barrage area. Groups of small farmers have been settled on co-operative basis in the nine villages established on these 20,000 acres. Although the work of co-operative colonization began in this area only six months ago, substantial results have already been achieved and the pace of development in the co-operative project is much more rapid than ⁱⁿ any other area in the G.M. Barrage. This is in spite of the fact that the quality of land is not as good as in some other places. The progress of this project provides sufficient proof of the fact that small farmers co-operatively organized develop new land much more quickly than big farmers who tend to be absentee land-lords and do not devote all their time and resources to the bringing of land under the plough. Mechanized

farming has been introduced in this project from the very beginning and the plan is to eliminate the need for draft-animals for purposes of cultivation. In any case, the number of bullocks required will be very small, as most of the work will be done by tractors and other machinery. Schemes are now being prepared for the settlement of displaced persons from the Mangla Dam and Islamabad areas in the Guddu Barrage lands and it is hoped that with the facilities that the co-operative organization will make available to the settlers in the form of finance, agricultural machinery, seeds, fertiliser and technical advice, their settlement will become a much easier process than if they were left to look after themselves individually. Block farming on co-operative basis and use of agricultural machinery will be the main features of these schemes and an integrated system of agricultural production supported by credit, marketing and supply facilities will be set up. Processing industries will also be established in due course.

An experiment of great significance is now being made in East Pakistan in the district of Comilla under the able leadership of Mr. Akhter Hamid Khan, the Director of the Rural Development Academy. This project

covers the area of a thana and comprises private lands of small farmers. Twenty tractors are already working on about 4,000 acres and more and more private farmers are joining the co-operatives of their own free-will. The bullocks have been replaced, in most places, by tractors which plough through the lands in blocks obliterating the boundaries of individual farms. The boundaries are re-created after the ploughing has been done and then each farmer works in his own piece of land. Co-operative facilities consist of the provision of machinery, installation of water pumps, supply of agricultural credit, seeds and fertilisers and organization of joint marketing. The scheme has shown great promise of success and improvement in the social and economic conditions of the people is already visible.

Similar projects are now being established on private lands in two districts of West Pakistan, namely, Lyallpur and Sheikhpura. Co-operative farming on private lands is of great national importance and if the first few projects are successful, a new chapter in the history of agricultural development will have been opened.

The co-operative movement in West Pakistan has taken some big strides in the recent past. The

distribution of fertilizers and seeds in the Province has been entrusted by the Agricultural Development Corporation to a Provincial co-operative organization called "The Rural Supply Co-operative Corporation". Fertilizer is already being distributed through 1,500 service co-operatives in 40 districts of the Province and 1,000 more distribution points will be established in the course of the next few months. The volume of agricultural credit supplied by co-operatives has also substantially increased and today more than 70% of the rural credit available to the farmers' is being supplied by co-operative societies. An important point to know is that while other rural credit agencies, namely, the Agricultural Development Bank and the Revenue Department issue loans out of the funds provided by Government, all the credit dispensed by the co-operative societies comes from within the movement and no contribution is made by Government.

Some of the subjects which will figure prominently in the deliberations of the Conference, are the following :-

1. Essential Features of a Co-operative Enterprise.
2. Types of Co-operativisation in Farming.
3. Economics of Co-operative action in Agriculture.
4. Co-operative Farming and Agricultural Productivity.

5. Economics of a Co-operative Farming Society.
6. Experiences of Co-operative Farming.
7. Social and Economic considerations in Introducing Various Types of Agricultural Co-operative organizations.
8. Management and Operational Techniques.
9. Technical know-how and Facilities.

All these subjects are of vital importance and we are looking forward to very fruitful discussions on them.

Apart from the participants who will take active part in the discussions, observers have been invited to watch the deliberations. There is also a general invitation to those who are interested in the subject of Co-operative Farming, to attend as observers. Any person wishing to attend the Conference as an observer, can obtain an admission ticket from the Secretariat of the Conference located in the Ambassador Hotel.

Before I end, I wish to place on record our deep appreciation of the help and advice given to us by the Education Centre of the International Co-operative Alliance, which has not only borne the main burden of expenditure but is also directly supervising the organization of the workshop. We are fortunate in having in our midst today Miss G.F. Polley, the General Secretary of the International Co-operative Alliance and one of the

most prominent personalities in the world of Co-operation today. She has held the office of the General Secretary for a long time now and has been eminently successful in managing the affairs of a large organization like the I.C.A., which has the co-operative movements of 51 countries affiliated to it. We have also present amongst us today, Mr. Saxena who is the Regional Officer of the I.C.A. and Mr. Rodheski, Director of the Education Centre at New Delhi, who has recently taken charge of his office. We owe our very special thanks to both these gentlemen for the keen interest they are taking in the development of Co-operation in South-East Asia and for the ability with which they are handling the affairs of the Regional Office and the Education Centre.

In the end, I wish to thank you, sir, for sparing your precious time to inaugurate this Conference. There were good reasons for our selecting you to preside at today's function. You are young, you are dynamic, you are democratic and you are a farmer. You have thus all the elements in your personality which go to make a real co-operator and we are convinced that with your zeal for service and your concern for the common man, you will be a pillar of strength for the Co-operative Movement in this country.

ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

COOPERATIVE FARMING WORKSHOP
18th December, 1962.

Points for group discussions

Sub: Technical Know-how and Facilities -
Need and Organization.

- Q.1. Dissemination of knowledge about improved agricultural practices is vital in any programmes of increasing agricultural production. In this connection please outline the methods of communicating technical know-how to agriculturists.
- Q.2. Please outline the contribution which the agricultural cooperative movement can make to the organization of research and extension work in regard to scientific agricultural practices. Please indicate also how close integration may be brought about in the agricultural cooperative movement for a two-way flow of technical know-how and problems.

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COOPERATIVE FARMING WORKSHOP

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REPORT OF GROUP ' A '

Q. 1.

Dissemination of knowledge about improved agricultural practices is vital in any programmes of increasing agricultural production. In this connection please outline the methods of communicating technical know-how to agriculturists.

ANS.

The methods of communication which may be deemed effective for the agriculturists are as follows:-

1. Audio Visual Aids e.g. Cinema films, Posters, charts, radio, television, illustrated booklets and pamphlets etc.
2. Publications.
3. Demonstrations.
4. Exhibitions, fairs, feasts etc.
5. Mass meetings, group discussions, study circles.
6. Crop competitions.
7. Study tours of successful farms.
8. Learning by doing in schools, experimental farms etc.
9. In-farming training and education.

Q. 2

Please outline the contribution which the agricultural cooperative movement can make to the organization of research and extension work in regard to scientific agricultural practices. Please indicate also how close integration may be brought about in the agricultural cooperative movement for a two-way flow of technical know-how and problems.

ANS

The agricultural cooperative movement should maintain a close liason with the Government agriculture department and the various research institutions.

The agricultural cooperatives should find out and suggest problems to the Department and the extension staff so that research could be directed towards solving these problems.

The farming cooperative unions and other specialized organizations in the area concerned may advantageously undertake a combined programme of research and extension work. The results of such research and studies should be disseminated among the agriculturists through the primary ~~z~~ cooperative societies. The Cooperative Movement of the area could carry out experiments in village development with the assistance from the Government. Research centres and experimental farms may be organized covering an approximate area of 20 miles radius, and may be gradually expanded to cover the entire area.

The adoption by the farmers of the new techniques in farming as well as the use of seed, fertilizers and implements etc. may be studied. The effect of such adoption on agricultural production may be surveyed. The linking of cooperative organizations with marketing operations may be studied, and technical know-how on this aspect may be made known to the agriculturists.

Research being expensive, it was deemed necessary that coordinated efforts may be made so that various organizations undertaking research may pool their resources and study the problems without any overlapping.

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Co-operative Farming Workshop
18th December, 1962.

Report of Group B

Q.1. Dissemination of knowledge about improved agricultural practices is vital in any programmes of increasing agricultural production. In this connection please outline the methods of communicating technical know-how to agriculturists.

Ans. The methods of communicating the technical know-how to the agriculturists classified as follows:

1). Mass approach:

Meetings, lectures, radio talks, newsletters, supported by exhibitions, slide shows, film strips, produce and ploughing competitions, model farms and primary school and training of lay leaders.

2). Group approach:

Group discussions, plot demonstrations, demonstration of other types.

3). Individual approach:

Where people will be tackled individual or particular problems.

Q.2. Please outline the contribution which the agricultural co-operative movement can make to the organization of research and extension work in regard to scientific agricultural practices. Please indicate also how close integration may be brought about in the agricultural co-operative movement for a two-way flow of technical know-how and problems.

Ans. 1). In the opinion of the group the co-operative organization should not take up research which should be left for the agricultural institute, universities and colleges and experimental stations. The co-operative organization can, of course, subsidize funds for projects or

problems which need immediate research or are of major concern to them and are not being handled as prior problems by the research centres.

- 2) In the opinion of the group the extension work is vital in the co-operative movement and the best can be done by the co-operative organization in disseminating knowledge about agricultural practices. The organization should have an Extension Committee to establish a liason between the extension services and the members of the organization and organize or arrange:
- a). Refresher courses for the members and training of lay leaders.
 - b). Establishing model farms or holdings.
 - c). Agricultural fairs, annually, bi-annually, or as deemed fit supported by agricultural exhibition, produce and ploughing competition and rural games etc.
 - d). Arrange forum discussions on important problems as frequently as may be needed.
 - e). The committee sift out problems and pass it on to the subject matter specialists at district and divisional levels or to the research centre direct.
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Cooperative Farming

15th December, 1962.

POINTS FOR GROUP DISCUSSION.

- Q. 1. What are the obstacles to capital formation in agriculture of South East Asia ? Please indicate the contribution which coop: institutions can make to capital formation.
- Q. 2. Please outline the reasons for the comparative failure of cooperative credit institutions in South-East Asia to develop savings among members.
- Q. 3. Discuss various methods by which total produce can be distributed among members of a joint cooperative farming society (a. members themselves ~~owning~~ the land and b. society or government owning the land).

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Cooperative Farming Workshop

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Cooperative Farming Workshop

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Co-operative Farming Workshop

17th December, 1962.

Report of Group A.

Q.1. What are the obstacles to capital formation in agriculture of South-East Asia? Please indicate the contribution which cooperative institutions can make to capital formation.

Ans. The main obstacles to capital formation in agriculture of South-East Asian region may broadly be stated as:-

- a) lack of surplus capital after meeting the needs;
- b) lack of willingness of members to sacrifice personal wants for future needs;
- c) lack of safety devices for keeping deposits;
- d) lack of assurance of recalling deposits on demand;
- e) lack of proper institutions in close proximity to villages and farms, where surplus funds could be deposited;
- f) wasteful expenditure due to social customs, e.g., marriages, dowries, funerals etc.
- g) climatic and natural hazards e.g. floods, famines etc;
- h) lack of safety in investment in agriculture and availability of comparatively poorer returns than in industry and trade.

The ways in which cooperative institutions can increase capital formation are:-

1. By raising the share capital, and effecting proportionate increases in shares of members.
2. By providing higher rates of interests on deposits to members.
3. By increasing the productivity of members through better marketing and credit facilities.
4. By imparting cooperative education to members and thereby inculcating thrift and eradicating extravagance habits.
5. By keeping savings boxes at the houses of the members.

Q.2. Please outline the reasons for the comparative failure of cooperative credit institutions in South-East Asia to develop savings among members.

Ans. The comparative failure of cooperative institutions can generally be stated as:

1. Lack of faith of members in the institutions due to non-availability of credit when needed most.
2. Limited finances of the societies preventing them to meet the full credit needs of all the members.
3. Continuing education and follow up methods to keep members informed about their rights and obligations.
4. Inability to provide safe custody for deposits of members.
5. Restricting the functions of the societies to credit only thereby preventing them from investing in productive enterprises e.g. marketing etc. which would enable them to gain profits and get higher rates of interest.
6. The supply of credit not being directly linked to productive needs, results in wasteful expenditure.
7. Lack of proximity to banks preventing societies from depositing their surplus funds and recalling the same when required.

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COOPERATIVE FARMING WORKSHOP

17th December, 1962.

SUPPLEMENTARY REPORT OF GROUP 'A'

- Q 3. Discuss various methods by which total produce can be distributed among members of a joint cooperative farming society (a. members themselves owning the land and b. society or government owning the land),

ANS.

The group discussed the various methods of distribution, as are prevalent in the region, and it was felt that the methods may vary from society to society even though within the same area.

- (a) The two main elements of distribution were discussed:
1. Payment for the land (rent). 2. Wages for the work done.

Rent: This should be predetermined by mutual arrangement between the owners of the land and the society. The law prevalent in the area concerned with regard to tenancy and the existing rents of adjoining lands may be taken into consideration. The society should pay for existing facilities provided by the owners (e.g. wells, buildings etc.). The society should pay the cost of pay the rent on such improvements:

Wages: After providing for the rent and other expenses, the remaining amount may be distributed among the members on the basis of work done by the individuals. The work on the farm should be classified and the rates of payments may be fixed for different types of work. The piece-rate system may be adopted with a minimum task and extra-payments may be made for extra work done.

A minimum subsistence wage may be fixed for the members and the balance should be paid after completion of the accounts. The group discussed the necessity and importance for maintaining members-ledgers showing work done by each member.

- b) In case of the land owned by the Government, the society shall have to pay the rental of such land. The individual payment to the members would be on the same lines as in a.

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REPORT OF GROUP ' B '

Q.1. What are the obstacles to capital formation in agriculture of South East Asia? Please indicate the contribution which cooperative institutions can make to capital formation.'

Ans. The following are the obstacles to capital formation in agriculture of South East Asia.

(i) The existance of a series of middlemen such as money lenders, traders and manufacturers etc. at various levels who still control the production, marketing and processing of agricultural produce. The farmer is a manufacturer on a very small scale. He buys the raw material which he requires at the retail prices and sells his complete products at whole-sale prices. The major portion of the existing low-income from agriculture is shared by the chain of middlemen who supply raw material and finished goods and those who convey the agriculture produce to its ultimate destination.

(ii) Un-due pressure of population on land results into scattered and uneconomic holdings which are at the route of agricultural backwardness and low productivity. The average farmer's resources is not in opposition to adopt improved techniques of cultivation nor can he raise adequate time and timely credit to purchase fertilizers improved seeds pesticide etc.

(iii) Low productivity on the one hand and increasing population depending on agriculture on the other has resulted into very low per capita income which is not sufficient even to meet the minimum consumption needs of the family. There is therefore no scope of saving.

(iv) Lack of proper education retains social prestige of wearing the costly precious stones and ornaments. There is also some extravagance in traditional expenses on the occasion marriage and death.

(v) Fear of robbery and lack of dependable financial (banking) system create boarding in some extense nevertheless may be utilized as saving for investment.

(vi) Absence of adequate marketing and processing facilities including communications and transportations squeeze some capital which can be saved in agriculture sector to other sectors (i.e. through middlemen.)

(vii) Some other factors such as defective system of land tenure, inadequate credit at reasonable rate, thriftlessness and government control of farm product export result in low income and less in saving.

1. As financial institutions the cooperative system can raise funds from the people in the rural and urban areas.

(a) At primary level the credit societies will collect funds in the form of shares from members and deposits from members and non-members.

(b) At district level the central cooperative Bank will collect deposits from the people in urban areas and after providing for fluid resources will utilise the balance for agricultural production through the primary societies affiliated to it (short the central Bank can raise loan from the apex cooperative Bank.

(c) At the apex level the state cooperative Bank will collect deposits from the people in urban area and borrow loan from the National Bank and utilise the same for agricultural production through the Central cooperative Bank.

As regards long-term loan the state Bank can raise funds by floating debentures guaranteed by Government from urban areas and invest the same in agriculture through primary land mortgage banks for permanent land improvement work;

2. Cooperative societies can undertake a regular educational programme for capital formation by way of inculcating the spirit of thrift amongst members.

Q.2 Please outline the reasons for the comparative failure of cooperative credit institutions in South East Asia to develop savings among members.

Ans. (i) Inadequate and untimely production finance without proper assessment and absence of strict control over its utilization. The low productivity of seed land and undue ~~pressure~~ of population on it, resulted in low income which has largely attributed to increased indebtedness.

(ii) In some countries like Thailand there is no provision in the constitution of some primary societies for the formation of capital and there is no effective machinery to encourage savings.

Q.3. Discuss various methods by which total produce can be distributed among members of a joint cooperative farming society (a. members themselves owning the land and b. society or government owning the land).

Ans. In the case of a joint farming society all advantages of a family farm are to be retained and benefits of institutional structure are to be obtained. The members may be given remuneration for their labour at the prevailing local rates. Profits should be distributed among the members in proportion to the work done and land contributed by the members. The produce which is to be distributed amongst the members towards the remuneration and share in profit may be valued at the rates prevailing at the time of harvest.

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TECHNICAL KNOW-HOW AND FACILITIES-
NEED AND ORGANISATION

BY

MR. M. A. CHEEMA, SK., CSP.,
JOINT SECRETARY.

What do we mean by the words "technical know-how"? For a gathering of cooperative experts in the agricultural field no elaborate explanation is necessary. It is however, necessary to point out that technical know-how is not a modern invention. When man first dug a small patch of land and covered some seed in the hope of getting plants to come out, he was using technical know-how. He must have seen seeds falling from trees, or being brought by the winds, getting buried in puffs of dust, later on producing a plant, which in course of time produced something edible. The man who studied and spread the knowledge of this phenomena provided this technical know-how to his fellow tribes-men and friends. The knowledge then spread to a whole tribe and from that tribe to other people. Similarly, when man tamed the ox or the horse to plough the land for the purpose of growing a crop, he developed new technical know-how which again spread through precept and example more than by actual theory. The knowledge of the effect of seasons on crops, the knowledge of control of water application to crops,

the knowledge of rotations and manurial assistance were similarly developed over the ages. The classical example is the introduction of potatoes tobacco and maize some 500 years ago. It is remarkable that we find these articles in use in most parts of the known world in the course of a few decades.

2. Similarly, each country tried to co-relate its efforts in getting the maximum advantage out of the use of the land, water, animal and climatic resources available to them. We in Pakistan belong to one of the oldest agricultural communities of the world and although we know that our present yields are some of the lowest anywhere, that our methods are now outmoded, and that our agriculture is primitive as compared with modern standards, it was not a poor agriculture a century ago. In the conditions of the knowledge then available, our production was the best possible under the circumstances. That this was brought about by conscious efforts at gathering information from all known resources is evidenced by the fact that similar agricultural practices modified to the extent necessary by the weather conditions, prevailed over wide areas.

3. How this was done has been a subject of study. We have no specific knowledge of the exact

methods pursued. Historical studies, however, indicate that the major factor in developing new methods and in spreading them was governmental effort. A number of Kingly orders exist in historical archives which indicate that instructions were issued from the highest in the land to spread knowledge of certain practices. Evidently similar instructions originated in lower levels of administrative control and were passed on to farmers through officers who had anything to do with the rural population. There can, however, be no doubt that while the machinery of administration was used to bring newer knowledge to the farmers, there was no organised system for a continuous pressure on this front.

4. The Industrial Revolution of the 19th Century followed by what have been called The Scientific Revolution, and the Business Revolution of the early part of the present century have, however, radically changed the picture of agricultural knowledge. New techniques have been developed which have enabled control of plant diseases; have introduced the use of artificial fertilizers; have introduced machinery of a very advanced type; have enabled newer rotations to be established which enrich the soil and bring better returns; have brought into use new irrigation practices; care of the soils has been put on a new footing; quicker production has been made possible, especially in the animal field; and a whole new world has opened in the field of processing and packaging. These new

methods have made it possible to get very much higher returns from the land in the shortest period and have resulted in the almost miraculous production, specially in Japan and the Western countries. In the countries of Asia and Africa, these new methods are still either unknown or practiced on a limited scale.

5. And yet, it is in Asia that the battle for increased agricultural production has to be really fought. In Europe and America, shortages of agricultural crops can be met by imports through heavy earnings of industry. In Asia over 80 per cent of the people still live on the soil. With the increasing pressures of population, the rising costs of living, and higher expectations, the relative poverty is becoming more pronounced. Until, therefore, it is possible for industry to reduce the number of men working on land or higher industrial incomes make it possible to Syphon off more money into the agricultural field, the main problem is to organise people to use the knowledge now available for higher yields per acre so that rural incomes can be raised. Unless this is done, there should be no doubt in any body's mind that we are facing disaster not only for ourselves but for the world at large. That the problem is urgent needs no emphasis from me.

6. The problem has also to be considered in the background of low educational percentages; the heavy weight of traditions which makes changes not easily acceptable; the belief among the people that they know

more about agriculture than a scientist; the lack of capital; and the increasing fragmentation and reductions of land holdings. These factors militate against a rapid spread of knowledge. There is the further factor that the means of communications with the farmers are not easy. Living in sub-marginal conditions, the farmer of the East is not in a position to take risks and mere theoretical knowledge does not go far unless, over the years, actual demonstration establishes that new methods bring higher returns.

7. These conditions have to change if the battle for higher incomes is to be won. That it is a very difficult task nobody can deny. Nor can it be denied that without **winning** this battle the future of this largest portion of mankind cannot be bright. It is a revolution that has to be brought about. As it is a technical revolution, technical knowledge has to be **spread** in this difficult field. A cooperative farming program will remain **incomplete** if we ignore this aspect of the matter and depend entirely on its organisation to get results. Increased production is the main guarantee of success in this field and spread of technical know-how and the availability of supplies needed are the only means of increasing production.

8. Every Government in the world is spending considerable amounts of money on what are commonly known as Extension Services. The object of setting up extension services is to create a body of men who have the necessary information which will increase agricultural production and who have the proper qualities of leadership,

persistence and devotion to duty which will enable them to persuade the farmers to abandon a part of their ~~caution~~ and actually use the new techniques. Generally speaking, these Extension Services are ~~provided~~ by Governments of the countries concerned. In the West the provision of supplies is a function of a private trade and private trade, in order to sell their production, undertakes a substantial measure of ~~extension~~ work. With the low availability of capital ⁱⁿ Eastern countries, the more attractive field of industrial and commercial enterprise leave little room for private enterprise to enter the agricultural field; and it can be said that in the foreseeable future private efforts in this behalf can only be concentrated in the cooperative field.

9. You have spent almost a fortnight in discussing the possibilities of cooperative enterprise in the service of increasing agricultural production. Your basic area of discussion is the Cooperative Farming aspect of cooperative effort. You have, no doubt, discussed the various types of Cooperative Farming activities that are possible and in this final session, I propose to draw your attention to the organisational requirements of Cooperative Farms for spreading technical knowledge.

10. As you have no doubt discussed, there is a wide variety in the field of Cooperative Farming. It will undoubtedly be correct to say that there is no specific organisational pattern for this enterprise. Local circumstances must dictate the form that will be most effective, and in discussing this problem we have to try to find out methods which will apply to various types of Cooperative Farming activity. In this connection our proposals must cover organisational requirements for Cooperative Farms with joint cultivation; Cooperative Farms with individual farming but joint planning and possibly joint administrative control; Cooperative Farms dealing primarily with the availability and utilization of production factors, like improved irrigation, better seeds, chemical fertilizers, plant protection and improved implements; and, finally with Cooperative Farms primarily using modern machinery.

11. Apart from Cooperative Farms primarily building themselves on the use of modern supplies and or modern agricultural machinery, experience in other fields of Cooperative Farming endeavour is still limited. Cooperative Farms in the Communist world have the most impressive data, but because of the rigid Party and Governmental control and the specific objective of converting these farms into communistic endeavour, their experience will not apply to the normal conditions of the

countries with which we are dealing today. In Mexico, the large scale Cooperative Farming programme which followed the Land Reform Legislation of 1917 provided the agency of the Ejidos Bank which took the responsibility for the spread of technical knowledge. This Bank exercises control over the Cooperative Farms through its assistance in loans, supplies and machinery and supervises the work of the farms. It also provides the necessary element of research, the results of which it tries to vary to the farms. It is a part of the Governmental Extension activity. In Italy, the Government have set up an agency which provides this assistance to the Cooperative Farms. This agency has extended its activity to the known cooperative fields and is a distinct part of Governmental effort. As a part of the Land Reform drive in Egypt, the higher Land Reforms Committee controls the extension work in the Cooperatives of farmers set up on the land acquired from bigger land-lords directly. It even controls marketing and has introduced a measure of joint planning. The control exercised by this agency is considerable. All persons receiving land under this programme have to join a Cooperative Society, the Governmental organisation distributing land exercises a considerable control over the whole activity.

The experience in Yugoslavia is slightly different from that in other Communist countries. Here although the objective of ultimate socialisation of land is still there, a considerable freedom to Cooperative Farming Societies exists and a tier of Cooperative Societies exists which acquires and distributes supplies. In fact, these services are made available only to Cooperatives. The system is dovetailed with the research work of the Chambers of Agriculture which are spread throughout the country and are not Cooperatives, although Cooperatives are represented on them. Some of the Cooperative Farms maintain their own agricultural technicians to assist the farmers. In India supplies are organised through a system of Cooperative Societies and the Cooperative Farms are given assistance through them. A Government Central Tractor Organisation also given assistance in this behalf. The recent programme of the Government of India to assist development of Cooperative Farming is dovetailed with the Community Development Programme and the technical assistance has to come from the block teams in each Community Development area. The Cooperatives do not maintain a separate extension service. In Pakistan 200 Cooperative Farming Societies in West Pakistan are basically resettlement societies. Similar Societies are being established in the new colony areas of G.M. Barrage and Guddu Barrage.

So far these Societies have depended upon the Agricultural Department for the spread of technical knowledge. Efforts are now being made to employ technicians as Farm Managers to meet this deficiency. With the introduction of machinery, Cooperatives are now facing a need for establishing an organisation of their own for research and extension. In East Pakistan, the Comilla Experiment ties up with the Extension Services of the Agricultural Department but is also endeavouring to provide its own men for spreading knowledge.

12. This very brief and bald survey of the position would indicate that we are still to make a considerable head-way in our thinking before we can establish a satisfactory organisation for providing the farmers with the necessary know-how for increasing agricultural production. The present experience indicates that Cooperatives depend for technical know-how on other governmental organizations and generally do not build up technical services of their own. The ideal thing would be to do so, but because of the shortage of personnel and finances it is advisable to wait until the system spreads over bigger areas. The suggestions made in this paper are based on the utilization of governmental facilities supplemented where necessary.

13. The first element necessary for the spread of know-how is the existence of adequate research facilities. It will not be possible in the beginning

to set up a cooperative research organisation independent of that of the Departments of Agriculture. The first endeavour, therefore, must be to establish a close liaison with the existing research services. The organisation of research services in various countries is still not uniform. In Pakistan, we are endeavouring to establish a number of Research Institutes- three in West Pakistan and two in East Pakistan - which will supply the basic knowledge for extension work. The obvious solution seems to be that there should be an arrangement for the Cooperative Farming programme to create a link with these organisations. The best form this can take will be to draw research workers from the Institutes on a secondment basis for periods of two to three years. These men being a part of the Research Institutes would be able to bring the fruits of new knowledge to the Organisation. On the other hand, they will be able to carry on in reverse the problems of the farmers to the Research Stations for solution. The system of short term appointments will prevent creation of the spirit of departmentalisation. A system like this is an integral part of the extension work in the U.S.A. and has worked very successfully.

14. As the Farming Societies will normally cover a village, the need for an extension worker at the village level becomes obvious. Maintenance of more than one worker in every society may be difficult. Once marketing is organised and there are adequate profits, this will be an objective to aim at, but until that position is reached, the best solution would be to provide Farm Managers or Society Secretaries with the basic agricultural knowledge.

16. Cooperative Farming Societies form an ideal base for extension work. In an ordinary village, it is difficult to find the rural leadership which will carry the message to individual farmers. In a Cooperative Farm, the committee of management is an obvious contact for the technicians who can inform them of the lines of work which will bring increased returns. They can through the Managing Committee hold their seminars to educate the actual farmers. They could use the facilities of the Society in showing films and in providing radio sets. The actual demonstration work will have to be the responsibility of the Farm Manager.

17. This necessitates the existence of a small area in each Farming Society where demonstrations could be carried out. There is an advantage in having such an area near the village site. In the case of new Settlement Societies, such areas can be set aside. In others, they can be hired from actual farmers. But to my mind, it is essential that such a demonstration area should exist. The success of a Farming Society and the Managing Committee will have to be judged from the efforts it has made to translate the message of the technicians to the field, and there is no more effective method of doing so than actual demonstration.

18. While, I have suggested a liaison with the research organisations of the Departments of Agriculture, I must emphasise that the research

carried out in the Agricultural Institutes needs , to be supplemented. In the Cooperative endeavour planning, management and marketing are major factors and would bring returns. Research in the problems of management, in sociological problems and in the particular techniques of management of small holdings will have to be organised independently. It is vital, therefore , that a cooperative farming programme must have a research set up of their own for this purpose. Where marketing is a major factor, and I assume that in all types of cooperative farming endeavour, marketing must be an important objective to aim at, solution of marketing problems will have to be included. Marketing itself requires a considerable know-how. The sale of produce, the problems of storage, the problems of transport and other items are important considerations in a successful cooperative marketing organisation.

19. I have abstained from going into the details of the know-how needed in the management and operational techniques because I assume that your morning has been devoted to the solution of that problem.

20. The provision of facilities is a wide field. In agriculture, the basic facilities needed are, good seed, good fertilisers, a plant protection organisation, the supply of necessary machinery and implements and other materials needed for improving agriculture. In the last field my reference would be to the provision of items like, cement, where water channels are to be improved, supply of plants, where trees are needed to buttress cottage industries, such as silk rearing and so on. The requirements of Cooperative Farming Societies for seed and fertilisers and commodities like cement and plants would be larger relatively speaking than that of a normal village. It is, therefore, desirable that these supplies be acquired for the whole set up at the highest level. The Cooperatives are in a better position because of their better financial base to acquire these supplies in bulk. Wherever it is possible they should

make their own purchases from the producing units . Where it is not possible, it will be desirable for them to acquire them in bulk at the highest available level. In the matter of seed, Cooperative endeavour makes it possible to multiply seeds within its own fold, and the best line of work would be to obtain foundation seed from the research stations, and multiply it under the supervision of the technicians already mentioned above. In fact cooperative farms could earn profits by acting as multiplication agents for whatever Government agency is in existence for production of seed.

21. For effective service to their members, Cooperative farms will have to organize their own plant protection work. The maintenance of mechanical and hand sprayers and stocks of pesticides in each farm will be necessary. The farm manager's agricultural training will include this field. Supervision will have to be by the technicians at the Union level.

22. As in the case of fertilisers, the provision of improved implements should be done in bulk. Some of these implements will be sold to individual farmers if they are working as independent farmers but some of the implements

will have to be provided on a rental basis.

Where mechanical agriculture is introduced, an organisation will have to be set up which undertakes that with the largest possible degree of decentralisation.

23. In this connection, the participants in this Centre have, probably, seen the work that is in hand in the Cooperative Farming Societies of Multan. They have organised mechanical assistance for the Societies through a central machinery organisation which has at a secondary level the necessary facilities for repair and maintenance of tractors and implements. They house these tractors and implements in each Society and wherever assistance is needed, the secondary unit provides that assistance. I do not propose to go into the problems of mechanisation as that subject by itself is a large one; but the organisation of the type that has been set up in Multan area seems to be an answer to our problems.

24. It will be of interest to the participants in the Centre to have some idea of the supply organisation which the West Pakistan Cooperative Movement has set up. They are now in charge of the distribution of seeds and fertilisers throughout the Province in conjunction with the Agriculture Development Corporation which has been charged by the Government with this task. The procurement is at present made by the Agriculture Development Corporation and supplies are then passed on to a Cooperative Rural Supply Corporation.

This Corporation distributes these supplies to the Supply Societies established at the headquarters of each union which generally covers a population of 10,000 people. This Society does the actual distribution to the people. It is hoped that in the course of time the Cooperative Corporation will take over even the work of procurement. An organisation of this type would be an ideal one to buttress a programme of Cooperative Farming.

25. The basic factor in the provision of technical know-how and facilities, however, must be the availability of capital. In the area of small farms with which a cooperative farming programme must deal, the amount of savings available will not be large but the cooperative movement can and must mobilise all resources to increase the availability of capital if cooperative farms are to succeed. It must go on mobilising savings and above all it must endeavour to siphon off increased incomes that must follow increased production. An additional resource must be found from setting aside a part of the profits earned from cooperative marketing for financing the technical organisation mentioned above. As production rises and as marketing is improved financing of the programme could become easier.

26. I need not repeat what you must have been hearing over the last fortnight that in spite

of every improvements in organisational patterns in spite of technical assistance, in spite of additional finances being made available, in final analysis, you have to build up a sense of devotion in your farmers; and to be able to do that you must create that sense first in your technicians and in your cooperative staff. And to that end you must create a sense of confidence among them by equipping them with adequate knowledge and reasonable living facilities. That confidence will enable them to continue to use the machinery of a cooperative farming society to inculcate the new knowledge among the members.

ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Co-operative Farming Workshop

14th December, 1962.

Co-operative Farming in Malaya

by

Abdul Manaf b. Hashim

Co-operative Farming in Malaya is a recent introduction. The first society was formed in 1950 and today there are only 24 in number with a total of 2,400 members, out of the total of 2,600 societies of all types. The progress is yet negligible compared to that of others.

2. The society's By-laws are largely borrowed from the Pakistan By-laws. The liability is unlimited as it is far easier to finance a society with unlimited liability and to permit it to provide credit facilities to its members (against their crops).

3. The objects as enumerated in the by-laws are:

- (i) to carry out common collective agricultural operations including padi planting, tree planting, gardening, stock-breeding, poultry, pig-breeding and bee-keeping and any other business connected with the land, trees, animals and birds;
- (ii) to arrange where necessary, the sale of members' produce or the whole-sale purchase on behalf of members of planting materials and agricultural requisites;
- (iii) to create funds for loans to members;
- (iv) to disseminate knowledge of the latest improvement in agricultural practice;
- (v) to encourage thrift, self-help and co-operation; and
- (vi) to do all such other things as are identical or conducive to the attainment of the above objects.

4. The Farming Societies in all cases have been formed to assist tenant farmers who are landless to own small plots of lands which have been reclaimed or newly brought under cultivation by the Government, or Government vacant lands so that farmers and their families can really settle down and depend for their livelihood.

5. The members cultivate their plots individually but buy their supplies and sell their produce through their society. Their greatest difficulties have been to obtain sufficient capital to start their enterprise and to carry them over the first year or two until their efforts are showing a return. They have little to offer as security. Success in every case thus depends largely upon reliance from the Government.

6. It can be said that these societies operate not as farming societies in the proper sense of the word but more in the nature of land settlement societies as the main purpose was to give land to the landless farmers for them to settle down.

7. For background information it will be useful to know the conditions of the farmers. The farmers in Malaya cultivate small and uneconomic holdings. Basically farm incomes in Malaya are low. The main characteristic of Malayan farm production is that productivity per person and per unit of land is low. The majority of the farmers, especially the padi farmers produce padi not for the market, not for cash that they expect to get, but for the rice that they will consume in the course of the year. The farmers' motive for production is basically for home consumption.

8. The market in Malaya for the Malayan farmer is not a free market or a competitive market. It is highly controlled market which is organized for the benefit of the people who manipulate this market, viz. the traders. These traders create two situations, a situation where they have control over what they buy and another where they have control over what they sell - monopoly both ways. The farmer does not therefore have very much possibility of choosing between whom he will sell his goods to or whom he will buy from.

9. A typical farmer is earning something between \$50/- to \$60/+ (Malayan) a month. A single farmer-owner or tenant usually has small and uneconomic land in scattered pieces. A lot of the farm land is rented land. The rent is usually something like half the crop. Besides that he must borrow and his usual source is the trader and because of the monopolistic position of the trader, the farmer pays anything from 100 per cent to 200 per cent rate of interest. All these make for low incomes and tend to keep incomes low.

10. The problems of the farmers are receiving the attention of the Government. Everything possible is now being done and absolute maximum efforts are concentrated on Rural Economic Development with a view to providing facilities and opportunities for the farmers to improve their level of economic and social well-being.

11. However, Co-operative Farming has great potentialities in Malaya, being predominantly an agricultural country and a large percentage, nearly 60% of the total working population of 2,126,200 is engaged in agricultural occupation. One and half million acres out of the total three and half million acres of rubber, Malaya's chief dollar earner, are on small-holdings, the majority of the holdings being under 10 acres. Rice the major food crop accounts for almost one million acres or 17% of the total cultivated area. It is usually grown in very small-holdings and cultivation is broadly speaking of the subsistence type. Like rice, the production of coconut is essentially from small-holdings. The area totals 58,000 acres. There are also a number of other agricultural crops. These include a wide variety of fruits, vegetables, spices and cover about 350,000 acres.

12. The economy of Malaya is one of the most advanced in Asia - producing a third of the world's rubber and tin. Malaya possesses by far one of the highest levels of living in Asia. The per capita income is estimated at \$ 825/- (Malayan). Unfortunately, the majority of the farmers however are in poverty. Many of them earn as below \$100/- (Malayan). The Government in its Second Five-Year Plan (1961 - 1965) has laid great and special emphasis on rural development which aimed at resettling a total of 350,000 families, allotting a family a plot

of 8 to 10 acre and providing better facilities, such as roads, bridges, schools and health clinics to all villages, checking unemployment in the rural areas and preventing a drift from God's good earth to overcrowded towns and cities, with a view to bridging the big gap of the per capita income.

13. Under the prevailing conditions of the farmers, one of the most effective means of improving their economic level is undoubtedly through Co-operative Farming, perhaps in the form of individual holdings individually worked, but with some form of co-operative co-ordination and complete co-operative services for credit, supply and marketing.

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Cooperative Farming Workshop

14th December, 1962.

THE EXPERIENCE IN COOPERATIVE FARMING IN THAILAND
By Adus Niyomuiphath DEPARTMENT OF LAND COOPERATIVES.

Thailand is a country where most farmers do own land for their cultivation, according to the last census, we found that about 82 per cent of farm families cultivated on their own. As a result to the situation of the cooperative movement is relative different from those of countries which the majority of farmers is tenants or share croppers. The average size of farm family is about 10 acres and the distribution in size of farm is not so great as it should expect as in some Western or American countries. There are quite small number of those who own farms of more than 400 acres. The country is also considered to develop new land for landless people in the public domain. Thai farmers experience in rice farming and the rice is predominant the major part of the national output. The yield of crops is relative low as compared with the yield taken by Japanese farmers. One of the main task of the government in the first economic plan is that the improvement of agricultural production of the cultivated land in larger extent. Land settlement project is also continued.

Our experience in cooperative farming is the organization of land Hire-Purchase in the Central Plain in which about 80 per cent of the farms are owned by the Crown's Property, the Public domain and the absentee land owners. This land is situated only 20-40 miles from the capital of the country. It has been opened up about 80 years ago for developing of rice farms. But the fertility of soil is relative poor and much acidity in the soil texture so that the rice yield is very low. We believe that the improvement of land will be much aware if the ownership of land would transfer to the farmers who till the soil. In addition most absentee land owners in that area are voluntarily to sell land to the government so that the organization of land Hire-Purchase society has been developed. The primary purpose of the scheme is both social and economic. The objects of the societies are to render services to their members in various ways, not only acquiring the land and distributing among the members, but also extend credit for improvement of the land, lay out small irrigation system, crop production and other expenses. The members are also get acquainted with the agricultural officers who will come to visit and attend the meeting of cooperative in various seasons. After the members paid the cost of land assigned to them and cleared up all provisions made by the bye-law of the society then the arrangement will be made further to get the title deeds of the land. There are, at present, 71 societies occupying the area of 25,000 acres.

Some lands in which the owners, do not want to sell but rather 'collecting the rent such as the land owned by the Crown's Property and the Red Cross Society. In these cases, the Department of Land Cooperatives will help in negotiation for the land to be rent out directly to the tenant Cooperatives. The farmers will ensure to cultivate on the same land for a period of 10-20 years as the case may be. The rent is also work out on such a fair basis. Both tenants and land owners get better benefit because they could get rid of the middleman between them.

Other tenants cooperative is formed in some good land purchased by the government for the scheme of cooperative land Hire-Purchase. But the farmers decide that instalment for the cost of land is rather high, they would better to join tenants cooperative for some years and there will be turned to be land Hire-Purchase cooperatives. The societies also lay out the canals, making ditches and dykes with the technical assistance of surveyor and agricultural engineer of the Department. The practice of rice growing is also improved making use of better seeds and motor pumping installation. The crop yield per acre is relatively increased in some extent. Up to the present time, there are 20 societies already organized on the area of 5,700 acres.

Some tracts of undeveloped land still exist and conserve for land settlement projects. Cooperative land settlement has been organized annually on the area of about 5,000 acres that will be benefited about 400 farm families. The government aids in public facilities including road, health centre, school and office etc. But the societies must workout the plan to develop land and crop pattern of their societies themselves. They need help in planning and budgeting of crop production and on credit needs provided by the technician of the Department of Land Cooperatives. Land settlement cooperatives is concerned not only the crop and livestock production but in the coast land also developing salt farms raising, fishes and shrips. The benefit of the cooperative land settlement is mainly help increased quality and quantity of production. In such agricultural land settlement in chiengmai, the cooperative society gained much benefit from the Agricultural Research Station and college of Agriculture in which situated in the heart of land settlement scheme. The Department of Sciences is also well aware of research to improve better method of salt production, it has experimental farms in land settlement project at Smud Sakorn Province. Salt farmers has organised the salt marketing society for the purpose of distribution of salt to inland and foreign countries. The member of these types of land settlement cooperative do utilize their own land in the individual basis but they get the benefit of the cooperative in making out of planning and developing their own farms. Much disputation such occurred in case of outsider in use of water has been avoided because farmers are meet together very often in order to help each other adapting the better way to improve the production and family farms. All farmers in such societies mentioned above will ultimately be landowners of the land supposed to be economic size in average of not less than 10 acres. There are 231 societies cultivating on the area of 53,150 acres.

However, the land improvement cooperatives is now showed promising of important one. This type of cooperative is organized among the farmers who have possessed at least a piece of land on their own earning. In many areas the crop yield is not stable and very low due to storage of water irrigating the land by the right time with proper volume of water suitable for such types of farming. But the source of water such as the river or the canal is flowing nearby so that the pumping irrigation system is feasible. The farmers in those areas will organized land Improvement Societies in order to make use of the water. As far as our experience is concerned, the crop yield increase in great amount and the practice of intensive farming introduces.

In the other case, land Improvement Cooperative is one of the most important institutions to be recognized in our economic plan. In the area where the irrigation scheme has been developed such as in the area of the Great Chao Phya Project, the Cooperative Land Improvement will be publicity. The education to farmers in order to helps them organized the cooperative societies is starting from the very beginning stage. It is the period of change so that cooperative will help farmers to work out planning for new pattern of crop and livestock productions. Mechanization in clearing of the land and ploughing of the soil are also arranged by the cooperative Society for the members. Training of leaders and farmers in the new irrigation area are carried out extensively by the Department of Land Cooperatives in the village level. Land Improvement Cooperatives are assumed to take responsible for the use of water, the maintenance and repairing of canals and minor buildings of such irrigation projects. The Government is also projected that this type of Cooperative would help in extending of supervised credit and modern method of family farming.

Pattern of farming starts to be changed from the mono-culture of paddy, to be supplemented by some cash crops including legumes in some area after paddy harvesting season. In general the quantity of crop production and the yield per acre also increased. The fruit garden has been developed. The diversification of farming is more progress. I personally emphasized that the Land Improvement Cooperative Society will help much in economic development of the country in such a transitional period as Thailand is being involved.

There are now 70 land Improvement Cooperative Societies with the membership of 7,064 families benefiting land of about 80,000 areas. Plan has been made so far for the organisation of 10-15 such societies which would benefit land of 160,000 acres during the next four years,

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ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
13th December, 1962.

REPORT ON CO-OPERATIVE COLLECTIVE FARMING FOR
YOUTH BY JAYANTHA WAGISWARA, PRESIDENT & SUPERINTENDENT
THAMMANNA TABBOWA PUTTALAM. CEYLON.

WHAT IS A CO-OPERATIVE COLLECTIVE FARM ?

DEFINITION AND PRINCIPLES :-

It is a Voluntary Association, a gathering of able youths working together collectively, land and capital for collective production, distribution, living and economical progress. A farm organised on Co-operative Collective Farm System should be a success. To make this Collective Farm a real success recruiting the correct type of youth should be carefully planned and hand-picked preferably children of farmers. For a start middle-aged men and women are not suitable for this type of venture, The entire Farm Staff should be able-bodied male and female youth, unmarried ranging from the ages of 18 to 22 or so preferably youth who do not own or possess any private land whatsoever. Working Youth who are prepared to make this new project or venture their only future should be recruited for this type of Collective Farming.

I would not limit this scheme only to male youth, as far as possible I feel youth of both sexes should be recruited for this type of farm so that both male and female youth get a happy and mixed environment and an interest to stay and work and progress collectively for the development of the farm unitedly which is theirs collectively. Here again are added advantages in having girls so that they can be taught and helped in cookery, needlework and other activities so that the able-bodied youth can be relieved for manual and harder type of work in the field. The Women's Guild and Mahila Samithis can be of real help to these girls here teaching various methods of cookery, jam-making, needlework, dressmaking and various other types of Cottage Industries thereby modelling these girls to be useful citizens. A girl who has gone through this type of training will not doubt be an asset to a progressive youth. With male and female youth, marriage could encourage when the time is ripe for youth to choose their partners, When these youth have reached the ages of 25-30 years, in other words the marriageable age, then they must be transferred from the hostel or communal type of living in to settlements meaning living in cottages with their families separately.

Under no circumstances should this farm be of the ownership pattern or colonist system. The policy should be "COLLECTIVELY

SWIM TOGETHER OR COLLECTIVELY SINK TOGETHER ! It is only then that there will be an honest incentive for genuine hardwork collectively for progress and thereby reap good profits. If other Countries like U.S.S.R., China Israel are thriving so well on Co-operative Collective Farming I do not see, how this system could fail here in Ceylon. Most colonist farms are a failure due to ownership of lands. The lust and greed to work single-handed acreage which is not possible for one person to do single-handed or employing labour on payment a colonist is bound to fail by such methods. Other failures in ownership system is mainly due to fragmentation of lands. For example it would be difficult for a colonist or a person having five acres of land and 4 sons who are grown-up young men to look for salvation in his father's block of land when only one son out of the 4 will be entitled to his father's land only after his death. Therefore, I maintain that the rest of the grown-up sons cannot hope or will not venture out to do any form of improvement or farming as he has no right to the land he toils. Therefore, ownership farming has to fail.

Collective Farms here is the real answer to these ills. Hardwork collectively means progress and rich rewards. At least 50 % profits from this type of farming could be very safely divided among the members who work. This will create an incentive for all to work hard. 25 % of profits could be set aside for repayment of borrowed capital and 25 % profit for improvement of the Farm. After repayment of borrowed capital 75 % profits should be divided among the members and 25 % set aside for improvement.

For the first two years or so the Society or Government or the Financer will have to maintain these youth till such time the farm begins to pay its way. For instance, in mixed farming it would be possible to be self sufficient in 1½ to 2 years time. Mixed Farming can include the following :-

1. Poultry
2. Duck Farming
3. Animal Husbandry
4. Vegetable Farming
5. Fruit Farming
6. Cash crops etc.

THE ENCOURAGING SIDE OF A COLLECTIVE FARM :

Poultry: From 2000 hens we should expect the very least, i.e. 750 eggs a day. At 25 cts each this would give us roughly Rs. 175/- a day. Therefore, in a month, the income should be Rs. 5250/-. To be on the safe side let us keep half this amount for food and other expenses. This would mean a very wafe nett profit of Rs. 2600/- a month. With the new proposed scheme of insuring poultry we should have no fear at all in having losses from poultry by disease, plague etc.

Another verypaying proposition is Duck Farming on a large scale. I have personally visited and saw for myself this type of large dairy and poultry farming system working very well in the U.S.S.R. and

Czechoslovakia during my visit in 1958.

From this income alone we can maintain 25 youths and also set aside a certain sum of money for repayment of borrowed capital. Then we could have the income from permanent plantation. We could also have the income from cash crops, seasonal crops, and periodical income from fruits, plantains, dairy and their by-products.

As an experiment I suggest 25 youth for a start on a plot of land, about 50 or 60 acres in extent. One-third of this acreage for permanent plantation. Another one-third for poultry farming and mixed farming which will include animal husbandry, vegetable and fruit farming etc. The balance one-third as a reserve for extension later.

HELP FROM ORGANISATIONS:

I am sure quite a substantial amount of generous help from the Asia Foundation, Foreign Embassies and High Commissions, I.L.O., F.A.O., U.S.O.M., UNESCO, and other well-established firms or organisations will be forthcoming. I am sure these organisations can give us generously tractors, jeep pick-ups, lorries, water pumps, lighting units, pre-fabricated houses, livestock and finances etc. The approximate expenditure for the Collective Farm to be organised by me in accordance with this report should roughly be about Rs. 75,000/- to 100,000/- gifts, and help mentioned from the above organisations.

The Initial Capital Expenditure.
Rs. 100,000/-

The Minimum Expected Revenue,
at the end of the 2nd year.

Pocket money for 25 youth for a year @ of Rs. 25/- each per month	Rs. 7,500.00
Cost of meals for a year	9,000.00
Uniform Allowance for a year	500.00
Building (hotel type)	10,000.00
Poultry Sheds for a start	5,000.00
Poultry stock " " "	2,500.00
Cattle Sheds " " "	2,000.00
Cattle stock " " "	2,500.00
Jeep pick-up type.	10,000.00
Tractor with implements	15,000.00
Water pumps & Generators	10,000.00
Clearing & miscellaneous expenses.	1,000.00

Revenue from Poultry	Rs. 31,200.00
From Duck Farming.	3,000.00
From Cash crops.	1,500.00
From plantains.	1,500.00
From fruits.	150.00
Dairy & by-products	300.00

Total: Rs. 37,650.00

Total: Rs. 75,000.00

Reserve 25,000.00

● Grand Total: Rs. 100,000.00

Judging very roughly the expenditure and the estimated revenue at the end of the 2nd year this scheme is sound and appears to be a workable and safe proposition.

The basic requirements to start a farm a new it is absolutely necessary to have a light tractor, a jeep pick-up, a lorry, high-powered water pumps (the question of water pumps entirely depends on the land pertaining to water facilities). It is difficult to assess the type of agricultural implements required till the land is selected and inspected; It is only then that a blue print of the proposed development can be sketched out as the farm expands and progresses.

The common hostel accommodation, communal dining rooms for having meals together (there should be no provision for private cooking facilities). Lecture class rooms and the services of the Agricultural Department (Staff) for instructing modern methods of agriculture and systematic methods of animal husbandry etc.

Before we could compile the bare necessary working rules and by-laws I would like to add that the model we have outlined is purely a training centre in a pilot project. As I have mentioned earlier youths selected around 18 to 22 years will be more or less on probation as in the case of most employments like Government Service, Mercantile Service etc. We should be able to study and judge these youth within the first two years or so to know whether he will stick or quit. At this stage we should be able to assess his aptitudes to his particular subjects whether its going to be poultry, animal husbandry industry, carpentry or whatever it may be.

CERTAIN AMOUNT OF COMPULSION FOR A START, ONLY:

As this is the first time a Collective Farm on co-operative lines is being tried out in Ceylon, it is absolutely essential to have certain amount of compulsion at the start till the scheme gets going. It is not entirely possible to have democratic rules particularly which this type of a new venture when a government, People's Bank or a Society has to finance a scheme of this nature. Therefore, it is advisable for the financier to enforce a certain amount of compulsion for a start and to select a Resident Farm Director as I might call it who should be made entirely responsible for the smooth working of a scheme of this nature. We are trying to lay down certain rules and conditions which has to be flexible for the start and enforcing them more strictly as we gain experience and enforcing them as years go by.

It has to be borne in mind forming a Co-operative Collective Farm with youth who have been failures in education and who are desperately hoping to find some employment without qualifications and who are unemployed at the moment cannot be expected to float a share capital like a normal

Co-operative Society, Therefore, the Government, People's Bank or the financiers should help this type of Collective Farm Projects by being very sympathetic and generous towards the whole set-up which is a new type of salvation for these very unfortunate youth. Shall we suggest 50 % of the profits to be divided among the members and the balance 50 % to be set aside for repayment of borrowed capital and improvement of the Farm? After the loan has been settled in full, 75 % of the profits can be paid to members and the 25 % be set aside for improvement of the Farm. After all in Collective Farm System there is no such thing as fixed monthly wages. As the farm begins to pay its way through the pocket money and the food allowance suggested earlier will cease as monthly wages. Payment of wages is never heard of in a Collective Farm business. Profits are divided among its members as stated earlier.

HUMAN TOUCH:

In dealing with human beings particularly youth, officers of strict integrity and self responsibility sincere to the cause should deal with regulations with a sense of fair play and justice. Adhering to the letter of the law, rules and regulations should not be the main aim. The final judgement should be made according to circumstances even if it may sometimes deviate from rules and regulations that controls the functions in various duties of members and the legislative act.

We admit that a fair sum of money initially has to be spent to get going. We are absolutely confident that within three to five years the farm should pay rich dividends. Our ardent hope and desire is to give effect to this system of Collective Farming and thereby give new life to an entirely new Co-operative Village. This experiment cannot fail and will help our ideas which we have in our minds. We look forward to you and this Government to assist us and give us the encouragement which is this sincere great task that has been kindling in my mind for many long years to solve a problem in life, and to be of service and to do a job for Mankind. If you Sirs, feel that this scheme is workable, put us on the test and we will take up the challenge and be ready to sacrifice quite an amount of our family life to promote and give birth to an entirely new way of Co-operative Living here in Ceylon. In U.S.S.R., China and Israel, Collective Farming is popular and is doing very well. Therefore, I cannot see how it can fail here in Ceylon.

My five years of War Service overseas and the military discipline and the control of labour I acquired from war service abroad in several countries will go a long way with my 14 years of service in this Co-operative Department to make my scheme on Co-operative Collective Farming a tremendous success.

JAYANTHA WAGISWARA,
TECHNICAL ASSISTANT, CO-OPERATIVE DEPARTMENT

24th January 1962,
455, Galle Road,
Colombo 3.

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- Rule 1. Qualifications should be youth educated to some extent without possession of private land at all. Preferable age limit is 18 to 22 years.
- Rule 2. Selections should be the entire responsibility of the Resident Farm Director without outside interference.
- Rule 3. Youth once enrolled will be on probation for a period of 2 to 3 years, there after for a further period of guidance and training, after stage 1 and 2, he could be enrolled as a full pledged Collective Farmer having full rights and benefits from the Collective Farm.
- Rule 4. The youth will be given rights to form a society with certain amount of democratic freedom in selecting President, Secretary, and Working Committee Etc, more or less on Co-operative lines.
- Rule 5. A member loses his entire claims whatsoever if he desires to leave the farm or if he is expelled due to indiscipline etc. as the policy of a Collective Farm is only Collective Ownership as long as its members work and live together.
- Rule 6. At least 50 % of nett profit to be divided among its members and the balance 50 % to be set aside for repayment of borrowed capital and improvement of the farm. After repayment of borrowed capital in full 75 % of the profits can be paid to its members.
- Rule 7. Membership is limited.
- Rule 8. New members have to wait at least 3 years before profits could be divided.

J.W.

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ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore..

Co-operative Farming Workshop
13th December, 1962.

REPORT OF GROUP 'B'

Q.1. What are the management functions in a co-operative farming society? Outline the management structure designed to perform these functions in an efficient way.

Ans. The following may be the management functions in a co-operative farming society.

- 1) Activization and economic utilization of the capital available and local resources of land and labour for better production.
- 2) Mobilization of extension media and arranging services and supplies.

All action groups should be represented. There should be homogeneous representation to all the sections within the society. There should be a proper economic equilibrium among the representatives as far as possible.

For the proper working of the society there should be a President, Secretary and Treasurer if necessary. These representatives should work with the help and guidance of the committee. Farming societies should have, as far as possible, a technically qualified manager or an adviser to the managing committee for planning.

The management structure may be as under:

- 1) General Body as a supreme authority dealing with all policy matters, and the matters relating to capital etc.
- 2) Managing committee or the executive committee, elected by the general body, dealing with the execution of the plans and policy decisions approved by the general body and to the day-to-day farm work.

- 3) President head of the managing committee to function as an executive and sanctioning authority.
- 4) Assessment Committee for internal check on behalf of the general body.
- 5) Secretary or manager to maintain accounts and records and to advise on problems of farm management. To attend to day-to-day work.
- 6) Treasurer to be in custody of the society's funds.

Q.2. Dr. Malone observed that co-operative farming societies have members of small-farm experience. In view of this they are not capable of tackling problems of large farms. Please outline the education needs of the members and managers in a co-operative farming society, and how such an education programme can be organized.

Ans. The managers of co-operative farming societies will need training in the following matters:

- 1) Principles of farm management.
- 2) Book-keeping.
- 3) Agricultural techniques.
- 4) Mechanise farming.
- 5) Sources of service and supplies and Government agency.
- 6) Subsidiary industries.

The group is of the opinion that the training in the above subjects of the managers should be for a reasonable period at suitable institutes according to the local conditions.

The members of the farming societies will also need training in the above subjects and the following arrangement is considered suitable for the same.

- 1) By holding refresher courses.
 - 2) By arranging visits to farms.
 - 3) By conducting demonstrations.
 - 4) Folk schools.
 - 5) By holding Farmers' Week.
 - 6) By holding study circles.
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ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
11th December, 1962.

GROUP QUESTIONS

ON

COOPERATIVE FARMING AND AGRICULTURAL PRODUCTIVITY

- Q.1. Please outline the circumstances in which you would consider the adoption of joint cooperative farming beneficial.
- Q.2. What are the specific economic benefits that will accrue to joint cooperative farms?
- Q.3. Also indicate the nature of cooperative organization required to make individual farming more productive.
- Q.4. What will be the impact of cooperative farming on rural employment?

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ICA Education Centre,
6 Canning Road,
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at Hotel Ambassador,
Lahore.

Co-operative Farming Workshop

13th December, 1962.

Report of Group-A

Q.1. Please outline the circumstances in which you would consider the adoption of joint co-operative farming beneficial.

Ans. The circumstances in which introduction of joint co-operative farming is likely to prove beneficial are as follows:

- a) There is consciousness about the benefits of co-operation among the cultivators or small landholders. If such consciousness is absent, it would be necessary to educate the persons before introduction of joint co-operative farming.
- b) The success of any co-operative society requires a certain minimum amount of initiative and motive force among the members. It may be necessary to inculcate these among the members from outside by the Government or some other agency.
- c) For colonization of virgin or newly reclaimed, or large areas available for resettlement, joint co-operative farming is likely to prove beneficial when the allotable area is smaller than the size of the economic holding, joint co-operative farming would be the best method.

However

In the opinion of the group joint co-operative farming is not likely to prove beneficial in areas where holdings are small, individual ownership is there, and the practices of land tenures and cultivation are well established.

Q.2. What are the specific economic benefits that will accrue to joint co-operative farms?

Ans. In newly opened up areas, these benefits will be as follows:

- a) Facilitate intensive cultivation by use of machines, fertilizers, irrigation etc.
- b) Provide facilities for pooling of produce and joint marketing.
- c) Allow better command and utilization of scarce resources such as machineries, water, technical advice, loan etc.
- d) Release underemployed cattle which may lead to dairy farming.
- e) Crop planning will be possible.
- f) It will be possible to discover and develop managerial and technical skill from among the member-cultivators, and allow for better utilization.
- g) Member education will become facilitated.

Q.3. Also indicate the nature of co-operative organization required to make individual farming more productive.

Ans. Service Co-operatives dealing with one or more aspects of farming, which a group of cultivators can manage more economically than if they had acted individually, will lead to more production.

Q.4. What will be the impact of co-operative farming on rural employment?

Ans. The immediate effect of introduction of machines, rational use of labour, and other facilities will be unemployment in the rural agricultural communities, but as the activities of the co-operatives will expand, more and more people will be absorbed in these, so that ultimately there will be no unemployment. In case, however, the

expansion in the non-agricultural sector does not extend there will be unemployment.

When there is scope for expansion in agriculture itself, both intensive and extensive, the surplus labour will be absorbed there. There appears to be no chance of employment situation worsening due to introduction of joint co-operative farming.

ICA Education Centre,
6 Canning Road,
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at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop

12th afternoon and
13th morning, Dec.1962.

GROUP QUESTIONS

- Q.1. What are the management functions in a cooperative farming society? Outline the management structure designed to perform these functions in an efficient way.
- Q.2. Dr.Malone observed that cooperative farming societies have members of small-farm experience. In view of this they are not capable of tackling problems of large farms. Please outline the education needs of the members and managers in a cooperative farming society, and how such an education programme can be organized.

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ICA Education Centre,
6 Canning Road,
New Delhi.
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop

THE DHULIA DISTRICT CENTRAL COOPERATIVE BANK, LTD.

DHULIA

A short Note on the Bank's role in financing Cooperative Farming Societies.

There is no denying the fact that inspite of various schemes evolved to regularise agricultural finance, no desired results could be achieved so far. The idea of " Adequate Finance " as visualised under the scheme of crop-loan system, though laudable in itself, is not found to be so easy of implementation. It pre-supposes that all the necessary data, such as actual acreages under different crops, cost of cultivation, yield per acre, expected ultimate return, etc., for each and every of the vast multitude of agriculturist members is at hand with the Financing Agency, which is not so. Even collection of such elaborate data is highly impossible. In absence of such data, it is not, therefore, possible to arrive at and determine as to what should be " adequate finance " in case of each and every member. Moreover, from the point of view of the Banker, the system that does not ensure safe return of loans, i.e., smooth recovery, is of little practical value.

Under this scheme, while the quantum of finance has increased considerably, the problem of recovery has become a source of anxiety. It is a common experience that with increase in finance, overdues also tend to rise. Further, so long other sources (such as private money-lenders and Sawhukars) for raising finance on the security of the same land, remain open to agriculturist, there is always a danger of over-finance, with all its attending consequences. The tendency for overdues to increase, points in this direction. It obviously means that more finance we give, more it gets stuck up. More we pour, more thirsty he (agriculturist) feels. The cure might prove worse than disease.

The reason is obvious. We have been caught in the situation, where we had to begin from the other end. The crux of the problem is that without planned/finance. It will not be incorrect to say that our agriculture is almost in chaotic condition for the present. Because of our inheritance laws. as they are, the land holdings of our agriculturist are shrinking day by day, in turn reducing his borrowing capacity, on one hand; while on the other hand his family is expanding. No doubt, as a remedy for this, we have a scheme of consolidation of fragmentations, but in the long run, it is not expected to solve the problem of further division of land, for by the time old fragments are consolidated, new may arise.

/agriculture
there cannot
be planned

It is a simple truth that these divisions of land in fact reflect the division of Man. There can, therefore, be no other solution but to bring agriculturists and with them their lands, together, if there is to be planned agriculture.

Under the existing pattern of our society, Cooperative Farming alone can help us to achieve this object. It would then automatically solve the problem of planned finance. For here we can get all the data necessary for providing so called adequate finance. It then becomes not only possible but too easy to ensure proper utilisation and regulation of finance envisaged under crop-loan system. Here we can know the actual production and can easily control its disposal, so that recovery of loans no more remains a problem.

It also reduces the cost of borrowing to the society and that of supervisory staff to the Financing Agency. Though the advantages are so obvious to need any further elaboration, some of them are listed below:-

- (1) There can be planned production.
- (2) Ample time and much expenses are saved in joint cultivation.
- (3) Establishment and overhead charges per acre are reduced considerably.
- (4) Improved seeds and better methods of cultivation can be employed profitably.
- (5) Better prices for agricultural produce can be secured.
- (6) Outside borrowings are completely checked.
- (7) Joint farming, besides, ensuring ownership of land, increases its productivity and in turn creates much needed security for the farmer as well as his family.

With this background in view, this Bank has decided to encourage cooperative farming by adopting a liberal policy of providing necessary finance to these societies. It must be mentioned here that the real credit for the pioneering work done in organising, fostering and nourishing these cooperative farming societies in this district, goes to Shri D.B. Tambat, our District Deputy Registrar, whose faith and untiring zeal alone has made this development possible.

There are at present 52 Cooperative Farming Societies in this district. Out of these, 35 are Joint Farming and the remaining 17 are Collective Farming Societies.

As "Wages" form an important item in Cooperative Farming, the Board of Directors of this Bank have decided to allow finance at higher scales (i.e. $1\frac{1}{2}$ times more than the crop-wise scales) that are fixed for primary Agricultural Societies, which are as under:-

Kind of Crop.

Scales of finance per acre for

	Primary Societies		Cooperative Farming Societies.	
		Rs.		Rs.
1. Groundnut ..		65	100	per acre.
2. Cotton (Dry) ..		45	60	
3. Cotton (Co2) ..		140	200	
4. Wheat (Dry) ..		40	60	
5. Wheat (Bagait) ..		115	150	
6. Chillies. ..		300	400	
7. Bajara, Jowar, Gram etc.		25	50	
8. Rice (Irrigated).		100	150	
9. Sugar-cane ..		500	750	
10. Plantains ..		500	750	
11. Vegetables ..		100	150	

During the year 1961-62, on the basis of their cropping plans fifteen (15) Cooperative Farming were sanctioned total maximum credits aggregating to Rs. 2,04,400/- as per the above scales. While during this year, so far some 41 Societies have been sanctioned crop loans amounting to Rs. 5,67,000/- as can be seen from the following tables.

Year	No. of societies financed.	Total Membership	Total acreage	Maximum credits sanctioned
1961-62	15	214	2618	Rs. 2,04,400/-
1962-63	41	566	4920	Rs. 5,67,000/-

Medium Term Loans:- Besides the short term loans for raising of crops, Farming Societies have also been given the medium term finance for their immediate requirements of bullocks, pumping sets, construction of wells and cattle-sheds, etc. which are so essential for the farming. Following are the limits fixed for this type of loans for the purposes shown against them:-

Purpose	Limit
1. For pumping sets ..	Rs. 3000/- per set
2. For Bullocks ..	Rs. 600/- per pair
3. For well ..	Rs. 1500/-
4. For Godown-cum-Cattle shed. ..	Rs. 5400/-
5. For Tractor ..	Rs. 15000/-

Such type of loans have been sanctioned to some 16 societies to the extent of Rs. 1,00,400/-.

Long Term Loans:- There is a pressing demand from these societies for long-term finance for undertaking land improvement schemes and other side-business conducive to agriculture, such as dairy, poultry, cattle-breeding, etc. and which is so essential for making the farming successful. But this Bank, however, much it may desire, is not in a position to provide such finance. This problem can be solved with the help of Land Mortgage Bank and the Government.

Recoveries:- It is a matter of great satisfaction that none of these societies marketed their produce except through a Cooperative Sale agency and the total value of the produce so sold amounted to Rs. 1,20,000/-. There has been no difficulty for recovery of the Bank's dues, except in case of societies where the crops were affected owing to inadequate rains and cold wave.

Out of total recoverable dues of Rs. 1,67,000/- recoveries effected amounted to Rs. 1,07,000/- and for the remaining amount of Rs.60,000/- which has remained in arrears for the above reasons, extensions will have to be given.

Problems:-

1) Managerial Staff:- Trained managerial staff is the urgent need for proper and effective working of these societies. This matter therefore, requires to be taken up immediately.

2) Absent Landlords:- It is observed that as some of the members of such societies are either because of their being engaged in other occupations or not themselves taking to any work, have to employ outside labour as Saldars on yearly basis in addition to casual labour, with the result that a major portion of the gross profits is absorbed by wages. So that their ultimate share in the net profit is reduced to almost a negligible return, which otherwise would have been much more.

This may ultimately lead to their losing faith in cooperative farming.

3) There is an invisible heavy indebtedness of the farmers which has not only left him without any incentive for improving his agriculture but has rendered him helpless in undertaking any joint effort to improve his economic and social condition.

Cooperative Farming - Problems of Management

by

Carl C. Malone - The Ford Foundation *

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In considering the management of cooperative farms, it is important to include the economic and social setting of agriculture in the countries where they are located. While the management of a farming unit is concerned mainly with problems of the unit itself, nevertheless it is influenced by the general economic and social conditions that prevail in the country's agricultural sector and trends under way.

Interest in cooperative farming seems strongest under three sets of conditions. One is in the less developed country with many very small farms (and most likely substantial numbers of landless workers) where there is much concern about economic and social justice and opportunity for all rural people. India and Mexico can be taken as examples. Another is where similar concerns over justice and opportunity prevail and where land is to be settled with people having meager personal resources. Israel is an example (the religious factor also exerts much influence) and many less developed countries have substantial land resettlement projects. A third is in countries where large privately held commercial farming units no longer are socially acceptable and the choice is to break them up into smaller farming units or shift them to a different farming system.

We shall not consider the religious groups who carry on cooperative farming based on their religious beliefs nor collective farms under Communist regimes. In the latter case, collective farming seems to arise as much from political as from economic considerations.

In contrast with the more limited interest in most countries in cooperative farming, the concern for having effective agricultural service organizations of various kinds is widespread in nearly all free countries whether more or less developed. This is especially true in developing better services for farmers. And service cooperatives are often found among urban consumer groups as well. Basically, the organization and management problems of service cooperatives are simpler in nature than those of cooperative farms. Their financial success is more readily assured as is the satisfaction of the members in the results obtained. The fact that service cooperatives are relatively easier to organize and manage successfully than are cooperative farms has contributed to their widespread acceptance and use.

Cooperative Farming Societies

The basic type of organization needed to qualify a farming society as a cooperative has been much discussed and carefully described in a number of

* Farm Management Consultant; India. The author has benefitted from the suggestions of Mr. Robert W. Herdt and Dr. S.M. Pathak who read parts of the original manuscript. Read at the Cooperative Farming Workshop, Lahore, Pakistan.

publications. ^{1/}The key features are that the productive farming resources including the labour of the members are pooled and all the resources operated as a single farming unit. The way the land is owned is not a crucial matter but joint control of the farm land and other resources by the cooperative and continuity of operation are important.

The name "cooperative farm" or equivalent is used in many situations that do not conform to the conditions set forth above. Such farming societies either are cooperative in name but not in fact or are special cases of one kind or another. We will not be concerned with them here.

Cooperative organization of farming resources is of interest almost wholly as an alternative to small family-operated farms. It seems almost never to be considered where good farm land is relatively plentiful. This is true whether the farming cooperative is set up by a resettlement project or is the joint action of a number of small farmers who voluntarily pool their farming resources. Thus a comparatively large supply of labour relative to land is, for all practical purposes, inherent on cooperative farms.

Some farms identified as cooperatives seek to avoid the problem of trying to make effective use of a large labour supply per unit of land by having only part of the members participate directly in the farming while all retain membership based on the resources they have pooled. Since the interests of working and non-working members will differ in such cases, the already difficult managerial problems will be increased. The participation of non - working members usually only complicates matters.

As an alternative to setting up a cooperative farm, small farmers may cooperate among themselves to their own advantage relative to certain farming operations. Cooperating in the use of a tractor or other expensive equipment, in joint irrigation or soil conservation projects or in field reorganization are common examples but many other possibilities also exist. The potential advantages of such cooperation as an aid to small farmers needs more attention. We shall discuss it briefly later in this paper.

How Farming Cooperatives and Service Cooperatives Differ

The cooperative farm and the well organized agricultural service cooperative face quite different management problems. Since many people assume that all agricultural cooperatives have similar management problems, it will add to clearness to identify some similarities and differences.

The Agricultural Service Cooperative

The successful agricultural service cooperative provides specific but limited services needed by its farmer members - nearly always individual family farmers. The services it offers are those the farmer cannot readily provide for himself. Thus, the service cooperative is an alternate to the private

^{1/} Report of The Working Group on Cooperative Farming (Vol.I), Govt. of India, 1959; Bhargava, M.P., Pilot Projects in Cooperative Farming; Programme for the Third Plan Period, All India Cooperative Review, October 1961.

business firm, having the services provided by the State or is established because such services are not available.

Typically, the labour required to carry out the functions of the service cooperative is hired and not provided by the members themselves. Most of them employ a manager although they may recruit him from among the members. The role of the members is to set operating policy, provide capital and make full use of the services offered. In a well managed service cooperative, the jobs to be carried out are clearly defined. Considerable division of labour nearly always is possible and desirable. Workers are chosen who are suited to the job to which they are assigned. Pay rates are fixed on the basis of responsibilities and skills. The labour force is not fixed but is adjusted to the amount of work to be done.

The members set general policy for the cooperative and elect a managing committee who work with the manager. The manager, in turn, has charge of operations, has direct control of the workers and uses his staff to provide the services to be rendered to the individual member. The job of the manager is to provide the services wanted in an efficient manner.

If the service cooperative has an interested and active membership, sufficient capital and good management and staff, it will be able to provide effective services if the surrounding conditions are favourable.

The Cooperative Farm

In the case of the Cooperative farm, the members provide the capital (land and operating capital). They set policy by one means or another. They either employ a manager or assign this responsibility to one or more of their group. Up to this point the farm cooperative and service cooperative are much alike. The key difference arises because the members (owners) of the resources of the cooperative also are full-time workers in the cooperative. They must adjust their working life to the needs of the cooperative - it is not a matter of family choice. Their labour becomes subject to the direction of the manager. Inevitably, the member's job as a worker on the cooperative farm looms larger in his mind and occupies much more of his time than does his role as a member of the society in setting general policy as to how the farm should be organized and operated. The usual farming experience of the average member, also, is limited to the problems of a small farm. He will have little or no background for helping set operating policy on the larger cooperative farm.

The skills, abilities and attitudes which individual members bring to the cooperative farm will vary a good deal. The more the group is traditional in its farming methods and way of living, the smaller these differences are likely to be; the more progressive and developed the members of the cooperative, the larger the individual differences are likely to be.

In setting operating policy, the cooperative must find a way to harmonize differences among its members so that they will be an asset as far as possible rather than a liability. This must be done at three different points; (1) in setting general production policies, (2) in utilizing the labour of members, and (3) in dividing up the annual income whether in produce or in money.

Management Problem One - Farm Production Policy

In setting farm production policy, two problems arise. One is in deciding on the general farming system to be followed, and the balance between labour and capital to be used. The limitations of small-farm experience has already been pointed out. Some members will be more progressive and others more conservative. Some will want to attempt more rapid progress by taking greater risks while others will prefer greater security to larger risks. The larger and more advanced the cooperative, the more difficult these problems become since the cooperative then has more alternatives from which to choose and will be using more capital which involves taking greater risks.

A second production policy matter has to do with the choice of the manager of the farm and the powers to be entrusted to him. The members need to understand that group management of a farm operation seldom is effective. Understandably, they may be reluctant to give the manager the decision-making power over operations he needs to be most effective since it is their own labour and capital they are placing under his control. If they choose group management to provide more representation, decision making is likely to be slower and more cumbersome. If they choose individual management, the members may come to feel that the manager has too much power over them.

Management Problem Two - Use of Labour

One advantage claimed for cooperative farms is that the larger labour force permits a substantial division of labour. This can easily be overrated. Some division of labour is possible in farming but not a great deal. Field labour needs are closely related to the process of plant growth - preparing the seed-bed, planting, interculture, harvesting are a time sequence that is dictated by the crops being grown. The member who makes a good farm worker has reasonable skill at various jobs all through the season rather than special skill at one particular job. There will be some flexibility in labour use as between those who use bullocks and those who work by hand or between a tractor driver and a worker of bullocks. But since neither tractor nor bullocks are used every day nor at all farm jobs, - the same is true for each type of farm work - work specialization cannot be carried very far. To go very far in trying to make use of individual labour skills or preferences will be at the expense of efficient labour use thus increasing costs without raising farm output. Nearly all larger farms whether cooperative or private find this a difficult problem.

Unlike the manager of the service cooperative who employs workers based on the jobs to be done, the manager of the cooperative farm must, as well as he can, adjust the work to be done to the skills and temperament of a fixed group of the member-workers who came together for other reasons and not to make up an efficient labour force. Since his member-workers also are his joint employers, the manager must be concerned with catering to their work preferences and avoid hurting their feelings as well as to getting the farm work done well and on time. A high level of labour efficiency is difficult to achieve with such a labour force.

Further, the manager will have no choice in the size of the member labour force he must use since this is determined by the number of working members and

not by the work to be done. This fact limits his freedom to choose among enterprises and to combine labour and capital most effectively for each enterprise. In effect, the member labour force to be employed is a fixed production factor. Thus he has two relatively fixed production factors; the acreage of land being farmed and a large labour force to be utilized on a year-around basis. In any farming operation the larger the proportion of fixed factors, the more difficult the management problem becomes in using resources effectively.

There are some gains, of course, from the larger labour force. The larger labour supply will make many projects possible that the small farmer cannot successfully undertake. The variety of labour skills available will provide the capable manager with opportunities which a small farmer does not have. However, these advantages do not automatically outweigh the disadvantages..

Management Problem Three - Distribution of Net Income

The third problem arises in the distribution of net income. At this point, it is important to understand the sources of net income on any farm, cooperative or other. Farm income (net gain or loss) arises from the use of four types of resources; (1) the use of land and other fixed capital; (2) the application of human labour; (3) the use of operating capital (bullocks, machines, seed, fertilizer, irrigation water etc.) and (4) the skill and thoroughness of management and supervision.

In practice, the amount of farm income derived from each of these cannot be determined exactly. But considerations of equity suggest that the various claims to income should be reasonably closely related to the contribution made by each member. In most farm cooperatives an effort is made to do so. Inherently, this is difficult and an exact determination impossible.

The problem of varying income payments based on the land contributed by each member is not too difficult. But there is no very accurate way of estimating the carefulness, speed and quality of work done by each member and the relative value of his skill. The simple method is to record the hours worked; some rate work done in other ways. In any case, the detailed records required to provide a basis for reasonable equity in paying for the labour contribution adds a considerable overhead cost. Members must possess a good deal of tolerance so the income allocation method used does not create friction among them.

A related policy problem is the question of how much of the year's income should be paid out to the members whether in produce or money and how much should be "ploughed back into the farm business" to build up capital. Since nearly all farms including cooperative farms are short of working capital in their beginning years, this is an operating policy problem of the first order of importance. The larger the amount paid out, the higher will be the individual income and level of living of the members in the present but the slower will be the growth of the cooperative farm as a progressive concern in the future. The larger the amount of income put back into the business to build for the future, the more the reverse will be true. Logically, this question must be decided by the members rather than the manager. But management will be handicapped unless this decision is made well in advance of annual planning. This is not likely to happen.

The individual farm family is faced with this problem, too. For the most part, the members of a family find it easier to resolve than do the members of a farming cooperative simply because goals and objectives about the present and future are more nearly alike within families than among different families.

Responsibilities of Management

In the foregoing, an effort has been made to distinguish between two aspects of management - general operating policy and that of detailed management. In principle, decisions as to general operating policy in a cooperative are the joint responsibility of all the members acting together. The farming cooperative would be no exception.

If general policies are to be well made in a cooperative, someone must carry on an active educational programme for members dealing with policy choices. Such education helps the members identify the various policy problems and what is involved in them, helps them see the practicable alternatives that might be chosen and the advantages and disadvantages of each one. This provides them with a better basis for making policy decisions. This education must be carried on if the cooperative is to be effective but it is not always clear who should do this nor how and when it can be done in the case of the farm cooperative. It needs to be recognized that joint decision making does not increase the wisdom of the decision makers. And the small-farm background of cooperative farm members will be a handicap rather than an asset unless offset by a vigorous and well planned member educational programme.

Detailed operating management carried on within the framework of policy decisions is the other aspect of management. This should be organized into three phases -

(1) the farm planning phase, (2) the plan execution phase and (3) the analysis and appraisal of accomplishments.

Farm planning is concerned with looking ahead for a planning period, deciding in detail what will be done, how and when to do it and by whom. On a cooperative farm, this would be the joint responsibility of the manager and the managing committee. Ordinarily, it is better for the manager to be employed and not a member as he then can be more objective than can one whose personal resources and interests are involved. However, a skilled farm manager cannot be hired cheaply, if he can, most likely he will be a supervisor rather than a real manager*/ In addition to the usual problems of farm planning, the special ones peculiar to cooperative farms already have been discussed and need no further elaboration.

The manager should be responsible for decisions about current operations. The managing committee can provide guidance and counselling. But unless the

*/ In this part of the world, the term farm manager frequently refers to the person doing farm supervision rather than the one making decisions and seeing that they are executed which is the main function of a manager.

manager is capable of making decisions and given the authority to carry them out without undue interference, the whole project will suffer.

On a larger farming unit, supervisors also will be needed. Their responsibility will be to help carry out the decisions of the manager, assist individual workers increase their working effectiveness and keep the manager in touch with operating problems that need his attention. Good supervisors are organizers and trainers of men rather than purveyors of orders and critics of individual workers.

The analysis and appraisal of accomplishments will require the keeping of useful accounts and records. These should be designed to be as simple as possible provided they serve the purposes needed. Double entry accounting is of little use in farming. The kind of records kept should fit farming needs and the policies of the cooperative. However, they should be suitable for an annual audit of assets and liabilities and of income and expenses and provide the information needed so an equitable distribution of income based on the policies of the particular cooperative can be carried out.

Principles of Management

The principles of management of cooperative farms basically is no different than that of other farms. The first requirement in good farm management is to know clearly what is to be accomplished given the conditions that prevail. Some of the special difficulties along this line inherent in cooperative farming have been pointed out. The second requirement is to bring together as effective a set of farming resources as conditions permit and organize them into a logical farming operation. Usually, cooperative farms have better access to capital and production supplies than most small farms. But they must manage with a basic labour force that was brought together with little regard for labour need and utilize these workers as effectively as they can. A cooperative farm should have access to seasonal labour as well as other farmers in the area.

Cooperative farms should have better access to markets than most small farms both in buying and selling since special marketing skills can be developed and more transport likely will be available. This may permit developing enterprises that are not readily usable by small farmers. Being larger in size, may also widen the range of enterprises that can be considered.

Larger farms usually are involved in a considerable number of fixed costs and these are likely to be accentuated on cooperative farms. For example these will be under some pressure to keep the main labour force employed on a year-around basis whether the work is remunerative or not. The need for paid manager, supervisors, accountants etc. are direct fixed costs which the small farmer does not incur.

If decision making on the cooperative farm becomes time consuming in practice, this will act as a kind of hidden overhead cost that lowers efficiency and interferes with output. In other words, making the management function really effective is always difficult on the larger farm and especially so with the cooperative.

Since very little study has gone into the details of management problems on cooperative farms, not much is known about them. That such problems are

plentiful is indicated by the general studies of cooperative farms that have been made.

Management Guidance and Assistance

A wide range of information needed by those who manage farms is readily available in most western countries. This is much less true in most of Asia. As indicated above, cooperative farms have a number of difficult management problems that are peculiar to cooperatives in addition to the usual range of managerial problems shared by farms generally.

In the West also, educational assistance is generally available to those who manage farms if they want to avail themselves of it. To date, this is much less true in this part of the world. A good deal of technical educational information is available in most countries. However, details as to its exact application in particular locations is not available. Information on the economic aspects of farm organization and technology, so much needed by farm managers, is not much available at present. Thus, the educational needs of those who manage cooperative farms is yet to be developed, generally speaking. The quality of management will be handicapped in the meantime.

Lack of Human Development

Difficult management problems are seen to be inherent in cooperative farming. However, this is not its most serious shortcoming.

In every country where agriculture is highly productive, an outstanding feature is that the whole agricultural system stimulates and assists the development of human ability among its farm people. T.W. Schultz² and others have pointed out that added capital and improved technology account for only a fraction of the increased production in the more advanced countries while improvement in the capacities, understanding and skill of the people which contributes much to output has shown and continues to show great progress. He concludes that human development is a vital factor in economic development, a point that seems fully valid in the farm sector.

It is difficult to see how the member of the cooperative farm can benefit as much in this human development process as the individual farmer. The individual farmer is constantly stimulated and assisted to develop himself and improve his management as well as his working skills in a well organized agricultural society. This stimulation and assistance would, by the nature of the organization be much less on the cooperative farm. Herein may be its greatest long-run weakness.

Cooperation In Farming Operation

While there is a great deal of experience in cooperation with certain farming operations among individual farmers in many parts of the world, the kind of cooperation of this kind that would be effective on the small farms

^{2/} Schultz, T.W., Investment in Human Capital, The American Economic Review, Vol. 51 (March 1961)

of Asia is still to be developed. Dr. Otto Schiller^{3/} has studied this type of cooperation on small farms in Germany and found it quite effective.

In view of the difficult management problems inherent in cooperative farms for which no easy solutions are possible, cooperation among small farmers in farming operations suggests itself as an alternative that inherently has much to recommend it. Such cooperative effort could be carried on by individual farmers in those ways where joint action would be beneficial but would not interfere with that part of the individual farming operation where joint efforts yield little or no gains. Moreover, for much of this type of effort, there would be no need to pool the use of land. That part of the capital and labour could be pooled that would gain substantially from the pooling and the part of the labour and capital that would not gain could be carried out by each farmer as he saw best.

This idea combines the benefits of cooperation where the gains are sufficient to justify cooperative efforts while leaving the individual farmer free otherwise. Moreover, not only would it not interfere with the personal development of each member but actually would broaden and enhance his development more than individual farming alone would do.

There seems no reason to think that this type of farm cooperation is unworkable, it appears simply to be undeveloped. The public assistance it would require would be as much or more in the fields of research and education as that of financial assistance to the cooperative itself. However, some organizational and perhaps financial assistance would be needed, too.

The analysis of the management problems of cooperative farms does not lead one to be optimistic about their rapid adoption. The potential for other kinds of farm cooperation seems much brighter. However, much of the developmental work in farm cooperation that is particularly suited to Asian conditions remains to be done.

^{3/} Schiller, Otto, Cooperation in Farming Operations - Some examples in Germany, Yearbook of Agricultural Cooperation, 1959, Basil Blackwell, Oxford, 1959.

ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
11th December, 1962.

GROUP QUESTIONS

ON

COOPERATIVE FARMING AND AGRICULTURAL PRODUCTIVITY

- Q.1. Please outline the circumstances in which you would consider the adoption of joint cooperative farming beneficial.
- Q.2. What are the specific economic benefits that will accrue to joint cooperative farms?
- Q.3. Also indicate the nature of cooperative organization required to make individual farming more productive.
- Q.4. What will be the impact of cooperative farming on rural employment?

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ICA Education Centre,
6 Canning Road,
New Delhi.
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
December 7, 1962.

QUESTIONS FOR GROUP DISCUSSIONS

A.

- Q.1. Which features of Cooperative Organizations do you consider most essential and why?
- Q.2. In which instances would you consider compulsion or disciplinary action necessary in cooperative organizations?

B.

- Q.1. What is the precise definition of the expression "Cooperative Farming"? What should then be the field of activities of a cooperative farming society?
- Q.2. Which agricultural activities do you find particularly suited to be cooperatively organized? Give reasons;

C.

- Q.1. "Cooperative activities should benefit producers and consumers and not middlemen". Discuss the statement. Are there, according to you any exceptions?
- Q.2. Importance of literacy and general education of members in the growth of cooperative activities.

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ICA Education Centre,
6 Canning Road,
New Delhi,
at Hotel Ambassador,
Lahore.

Coöperative Farming
Workshop.

Report of group 'A'

A.

Q. 1 Which features of Cooperative Organizations do you consider most essential and why?

Conclusion :

The common features we should consider as

- 1- (a) Voluntary nature of the association and open membership.
- (b) Equal right of voting;
- 2- Some identity of purpose;
- 3- It should lead to economic betterment of the members in particular and the community in general;
4. active participation of the members in the affairs of the society or the organization;
5. the profits should be distributed according to the patronage of the members.

A

Q. 2 In which instances would you consider compulsion or disciplinary action necessary in cooperative organizations?

Conclusion:

Compulsion or disciplinary action may be resorted to only when all other persuasive and education efforts have been exhausted in the opinion of the organization. For example, in a marketing society where a member does not supply the produce to the society or in a cooperative farming society where the member does not abide by the decision of the society or in a consumers' and a processing cooperative society.

B

Q.1. What is the precise definition of the expression "Cooperative Farming"? What should then be the field of activities of a cooperative farming society?

Conclusion: A cooperative farming society is one in which most of the plant and animal farming production activities and

auxiliary activities such as processing and disposal of the product are carried out cooperatively as the society may deem it proper.

Q.2. Which agricultural activities do you find particularly suited to be cooperatively organized? Give reason.

Ans. Agricultural activities most suited to cooperative organization are those which require better utilization of resources like land, water use, implements and also activities which require social investment. It will lead to better adoption and absorption of agricultural technology.

C.

Q.1. "Cooperative activities should benefit producers and consumers and not middlemen". Discuss the statement. Are there, according to you any exceptions?

Ans. The group considered the question and gave serious thought to to understand the question but found it a little vague. However, the group discussed the possible import of it with reference to cooperative farming and came to the conclusion that a society, in this context is primarily for the benefit of the producers and also agreed on the point that since no one is an absolute producer or a consumer it is desirable that the consumers' interest may also be safeguarded.

The group thought that, commensurate with the spirit of cooperation, there is no place for a middleman as its main purpose is to exploit the situation. However, it may be stated that while the group is unanimous on the undesirability of the middleman's association in the cooperative it observes that the organized existence of the middleman poses a constant threat and challenge to the development of cooperatives.

Q.2. Importance of literacy and general education of members in the growth of cooperative activities.

Ans. The group considered the question and thinks that the importance of literacy and general education, in the development of the cooperative activities, cannot be over-emphasized because education would lead to better understanding of rights and obligations, duties and privileges on the part of the individual members. This will result in providing the essential internal checks and balances vis-a-vis the management turning authoritarian and exploiting the ignorance of the members. Further, on the issue of literacy the group unanimously agreed that the literacy provides a wider and effective media of communication and dissemination of written cooperative education material & knowledge.

ICA Education Centre,
6 Canning Road,
New Delhi.
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
December 11, 1962.

REPORT OF GROUP 'B'

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A

Q. 1. Which features of Cooperative Organizations do you consider most essential and why?

Ans. A

(1)

The word " Cooperation " canotes the meaning of joint effort by a group of persons, which by its nature is the outcome of the common object or the desire of all, and which further inculcates the habit of self help and mutual aid. The object being economic benefit the cooperative organisation through which a joint effort is to be made has to be necessarily a business organization. To put this in other words means that the producers and consumers themselves play the role of middleman at all levels in all the economic fields and thus render service to each other.

The main object of every cooperative society has to be some kind of joint effort for the satisfaction of the common economic needs of its members. Joining a cooperative society means agreeing to make the joint effort; it therefore follows that every member of a cooperative organization is bound to take active part in the economic activity undertaken by the society without which the habit of mutual aid and self-help cannot be established.

The active participation of members in the economic activity of the society which represents loyalty is the most essential feature of the cooperative organization. Without active participation or loyalty of the members there cannot exist a joint effort and cooperative organization.

The second essential feature of a cooperative organization is voluntariness of joining a cooperative society. Every member has to actively participate in the joint effort i.e. the business undertaken by the society which is mainly intended for the common economic benefit. The aspect of voluntariness does not exist or it is transformed into cooperative discipline in the operational field of the society.

The third essential feature is the basis of equality. The basis of equality or the equality of status is at present determined by the principle of " one man one vote ". This is not enough. The economic status of members should be more or less equal. And this should be strictly enforced in the case of cooperative societies at the primary level.

A

Q. 2. In which instances would you consider compulsion or disciplinary action necessary in cooperative organizations?

Ans. A
Q. 2. In which instances would you consider compulsion or disciplinary action necessary in cooperative organisation?

The compulsion should be induced in programme of action where mobilization of community will be necessary, for example, irrigation and drainage, watershed management, soil and water conservation, desalinisation, pest control land consolidation and land reclamation works.

Whether the element of compulsion should only extend to a minimum of one third minority and the decision taken by two-thirds should be obligatory on the one-third also, may be discussed further.

B

Q. 1. What is the precise definition of the expression "Cooperative Farming" ? What should then be the field of activities of a cooperative farming society ?

Ans. B
Q.1. The precise definition of the expression " Co-op. Farming " shall be improvement of farm production with or without pooling material resources of members concerned.

The Land Improvement Co-operative Societies and such other types of societies in Thailand and Malaya and Land Management Co-op. Socys in Pakistan may be termed as Co-op. Farming Societies.

In India the definition of Co-op. Farming is that it is an organisation in which the agriculturists voluntarily and actively associate together for the achievement of their common economic main object of increase in agril. production and undertaking other allied subsidiary industries to increase family income by pooling of their land, the instruments of production labour etc., in a spirit of self-help, and mutual aid on the a basis of equality.

The field of activities in the case of the types of Co-op. Farming as defined above in the case of Thiland, Malaya and Pakistan would be provision of all services facilities to the members to enable them to increase production.

In the case of Co-op. Farming as defined by India, the field of activities will be to make a better economic use of pooled resources viz-. land, the production instruments, labour etc., by adoption of improved methods of farming and development of subsidiary industries such as poultry, dairy, cattle and sheep breeding etc.

B

Q.2. Which agricultural activities do you find particularly suited to be cooperatively organized? Give reasons;

Ans.

B

Q.2. The following agricultural activities which an individual cultivator cannot undertake should be cooperatively organised.

Land improvement measures such as irrigation, drainage, watershed management soil and water conservation desalinisation, pest control, land consolidation and landreclamation works.

All improved methods of farming, both intensive and extensive, storage marketing and processing of agril. produce and distribution of finished products should also be cooperatively organised.

Firstly all these activities are beyond the capacity of individual farmer and secondly there would be great economic benefit on account of the elimination of the middlemen at various levels.

.....

C

Q. 1. "Cooperative activities should benefit producers and consumers and not middlemen". Discuss the statement. Are there, according to you any exceptions ?

Ans.

C

Q.1. The main object of the Cooperative movement is to replace the existing middlemen at all levels. There should be Co-op. processing and marketing at all levels and at the primary level there should not be a middlemen in Co-op. organisation. At higher levels however, the existence of middleman may be encouraged mainly with a view to avail of his knowledge in trade, either in his capacity as a servant of the society or in his capacity as a member.

.....

C

Q.2 Importance of literacy and general education of members in the growth of cooperative activities.

Ans.

C

Q.2. Most of the members of the societies at the primary level even today do not take active part in the management of the societies and those very few members who are literate and well educated dominate the majority of the members who are still illiterate. The literacy and general education of members will enable them to have proper and adequate understanding of the joint effort and to take active part in the day to day administration of the societies. For this the Group is of unanimous opinion that there should be a subject of cooperation included in the school and college education (as in the case of Ceylon).

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ICA Education Centre,
6 Canning Road,
New Delhi.

Cooperative Farming Workshop
6th December, 1962.

TYPES OF COOPERATIVIZATION IN FARMING - A SURVEY

by

* Dr. A. C. Felder

1. INTRODUCTION

This presentation is not intended just as a survey of some of the major types of cooperation in agriculture with the objective of assisting us in arriving at working definitions to be debated, promoted, defended and revised at this Workshop. Rather, it is intended to provoke some thinking about what the role of the cooperativist - those of us who attempt to combine the disciplines of the economist, the sociologist, the agrarian reformer, the administrator and the cooperator - should be in assisting, advocating and analysing different types of cooperative activities in farming.

Should the paramount role and objective of the cooperativist be that of defining, researching, programming and defending a particular pattern of cooperative activity in agriculture, sometimes with a view towards developing a single national pattern or several patterns for which financial appropriations are made by the law makers? Or should the cooperativist spend more time and energy considering ways of increasing agricultural output in an efficient manner through efficient "optimum" use of production factors of land, labour, capital and management, within the framework of any general pattern of cooperative activity, taking into consideration certain important social and psychological aspects of a society and its national policy?

It occurs to me that the former casemay be what is actually being done by us cooperativists. I believe that we cooperativists at times become confused in defining different categories of the same subjects and quite often, within the category, use the same terminology for differing meanings. I dare pass professional judgement on the type of analysis that we have been doing in this field because I have often been guilty of these sins in at least the economic and sociological appendages of the cooperativist.

II TERMINOLOGY AND DEFINITION

To illustrate the array of terminologies and definitions found in the literature pertaining to the areas covered by the ICA Regional Office, a few may be listed:

* Dr. Felder is the representative in India of the Cooperative League of the USA, a member of the ICA.

- a) Miss Margaret Digby in the FAO study: "Cooperative and Land Use", distinguishes between the "divided" and "undivided" cooperative farms of "individualistic" and the "collective" type of cooperative farming.
- b) Sir Malcolm Darling, in his report to the Indian Government on "Certain Aspects of the Cooperative Movement in India" makes a similar distinction as Miss Digby.
- c) Professor Otto Schiller, in his booklet: "Cooperative Farming and Individual Farming on Cooperative Lines" suggests that cooperative farming defines those institutions where most of the farming procedures are carried out cooperatively, or are at least bound in the way of their execution by cooperative agreements.

Further, examination of literature in the area, reveals distinct categories of cooperatives in the field of agriculture which are generally accepted in the area as working definitions. Some of the major ones are:

- A) Service Cooperatives:— Where individual cultivators would have and maintain title to their lands; management will be done on an individual farm family basis; but, marketing, supplies, credit, processing and other services would be provided by the cooperative organization to which the individuals belong.
- B) Cooperative Better Farming Society:— where each member owns land and cultivates it independently, but agrees to follow a plan of cultivation agreed to by the cooperative society and obtains services and supplies such as credit, seed, fertilizers, etc. from the cooperatives.
- C) Cooperative Tenant Farming Society — where the society obtains land on a free hold or leasehold, but each individual member is allotted a separate plot from the sub-division, but cultivates that plot according to an agreed production plan formulated by the Cooperative. The Cooperative, upon request by the member, may provide services and supplies. Each tenant pays a fixed rent for his holding, but returns from the holding are his own.
- D) Cooperative Joint Farming Society — where the ownership of land rests with the individual, but the land is pooled and cultivated jointly in accordance with a production plan approved by the management of the Cooperative. The sale of proceeds from the jointly cultivated land after meeting expenses are shared by members in proportion to the work done and/or land contributed.
- E) Cooperative Collective Farming Society — where the cooperative holds the land and other means of production on a free hold or leasehold basis. Joint cultivation is undertaken and profits are distributed in proportion to work done by individual members.

An examination of these categories and descriptions appears to result in polarization of two extremes. One extreme represented by Pole No. A and B - "Service Cooperatives" and "Cooperative Better Farm Societies" - is dictated by the extent to which individual decision making, ownership, management and distribution of earnings takes place. The other extreme, Poles No. D and E - "Cooperative Collective Farming" and "Cooperative Joint Farming" are dictated by the extent to which the land is pooled, used and cultivated jointly. Management decisions are made and executed collectively and earnings are shared collectively.

Two observations regarding this appear to be immediate. One is that there are shadings of differences which converge as one moves from Pole A - "Service Cooperatives" to Pole E - "Cooperative Collective Farming" and in the opposite direction from Pole E - "Cooperative Collective Farming" - to Pole A - "Service Cooperatives". The other is that the broad terminology used by Miss Digby and Sir Malcolm Darling identify these opposite Poles and that Professor Otto Schiller's individual farming along Cooperative lines rests some place in the centre, but does not fit the centre Pole C - "Cooperative Tenant Farming".

III. THE PROS AND CONS OF COOPERATIVE JOINT AND COLLECTIVE FARMING

For purposes of our analysis, it may be helpful if we examine the extreme positions taken by the advocates and opponents of Poles D and E - "Joint and Collective Farming". From a review of the literature on these types of cooperative farming, it appears that opposing view points may be delineated according to major economic advantages and disadvantages on the one hand and the major social-psychological advantages and disadvantages on the other hand. No attempt is made here to support or refute the different arguments made for and against these two types of cooperative farming. The examination is made for purposes of pointing out the rigidity of definitions with regard to other cooperative activities in farming which would result in efficient use of production factors and increased output. The following are some of the important economic and social-psychological considerations contained in the literature regarding the pros and cons of cooperative joint and collective farming considered together :-

- (a) Economic Considerations : The proponents of cooperative joint and collective farming - pooling of land and joint management - usually cite the technological efficiencies arising from the economies of scale. They usually argue that more intensive use of capital can be achieved; new and improved agricultural technology can be introduced which will not be possible for a single individual farm ; cost can be minimised and a large sized cooperative farm would command better resources and better management.

The opponents argue that the theory of economies of scale are mis-applied when applied to cooperative farming, especially in areas where labour intensity in agriculture must be pursued. They argue that cooperative farming may lead to increased production, but not necessarily to maximum production, and that a larger farm does not necessarily

show higher yields per acre in comparison with a small one when a certain level of technology is given. A common cliché used in this argument is that pooling of resources of the pooling of resources of the poor may only mean pooling poverty.

- (b) Social-Psychological Considerations : Cooperative collective and joint farming advocates are convinced that implementation of land reform measures, especially where consolidation of holdings and imposition of ceilings and floors are promoted can best be achieved through cooperative collective and joint farming. They argue that savings in land through consolidation, reclamation, etc., would minimise social costs and would achieve the element of homogeneity so badly needed in countries where caste or community are pronounced. Incentives, they say, may be maintained by bonus for additional work which will prompt members of the cooperative collective and joint farms to higher and better effort.

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The opponents of these types of cooperation/farming claim that the psychology of the peasant is such that productivity depends on his personal interest and that the sense of property ownership is so deeply rooted and the peasant is so individualistic that he could not operate in a pooled or joint land operation efficiently. They argue that economic incentive is not sufficient to incite cultivators to operate efficiently in a society where the general social philosophy of individualism is shared by a large segment of the population.

They cite that it will be difficult to synthesise the interests of landless agricultural labourers with those of the big and medium sized cultivators and that proper fusion of these interests will lead to inefficient production.

The above are some of the more common arguments, pro and con, for and against cooperative collective and joint farming which appears in most literature on the subject.

IV MODELS OF COOPERATIVIZATION WHICH DEFY CONVENTIONAL CATEGORIES

Less publicised and dramatic are types of cooperative activities in farming which technically cannot be considered as one of the four categories of cooperative farming nor as service cooperatives. These types appear to take advantage of the economies of large scale farming among small cultivators and at the same time appear to satisfy the social and psychological requirements of national programs and individual reactions. They tend to support the arguments of the pro cooperative collective and joint farming advocates as well as the anti cooperative farming advocates on both the economic and social - psychological levels. A description of some of these types, both theoretical and actual models, are given here for purposes of introducing the topic for discussion.

(a) Paddy Cultivation on Reclaimed Lands:

In many areas of the region, paddy cultivation may be achieved following the monsoons if bunds are erected, the brackish sea water pumped out, seeding is done and fresh water is allowed in. Boats are required for harvesting, plant protection measures are required and common irrigation is necessary. In such cases, individual farmers owning plots in the area reclaimed must pool their land and other resources temporarily in order to carry out this type of culti-

vation. After planting, the field boundaries are restored and weeding and harvesting are done individually. Irrigation and plant protection are done collectively.

This situation indicates great scope for cooperative activity in farming, but does not necessarily fit into any of the categories of the conventional definitions of cooperative action in farming described above. At the same time, such farming operations could result in tremendous increases in food grain production throughout the region.

One such activity was observed in Alleppey district in Kerala State, where about 200,000 acres of land is being cultivated in this manner. In one plot of 2,500 acres, there are more than 100 individual owners. The paddy yields are upto 3,000 lbs per acre as compared with 1,200 lbs per acre in the surrounding area.

Similar activities are reported to exist in parts of Burma, Malaya, Taiwan and the Philippines. In some cases, fish cultivation is done collectively between crops.

(c) Hybrid Seed Multiplication:

Agronomists have evidence that use of hybrid seed in certain countries in Asia will result in tremendous increases in per acre yields. For example, use of hybrid maize seed in India, is estimated to result in 50 to 60 % more grain per acre than the best common local varieties. Assuming an average of only 30 % increase in production, not 60 %, as a result of the use of hybrid maize, if hybrid maize were planted in one half of India's 9 million acres already under maize cultivation, there would be an additional yield of ten million maunds of grain or a value of Rs. 14 crores more based on average market prices for the past five years.

In order to achieve this increased production 2,137 acres of land under foundation (nuclear) seed would be required. This would be grown on government state farms. This foundation seed is to be double-crossed before distributing to farmers. The amount of double-crossed seed required would be under 37,102 acres or a proximately 75 units of 500 acres each which could be grown by private growers or cooperatives. Since cultivators cannot keep their seed crop for planting the next year, these requirements would be repeated each year.

The following operations and requirements are needed for each of the 500 acre units of double-crossed hybrid maize seed :-

- (i) Isolation to prevent faulty germination - it is estimated that for a 25 acre acre areas, only 9 acres could be assured as having proper isolation. That is to say, no maize could be grown in the area except for seed.
 - (ii) Rouging - a selection method to remove off-type plants - would be required.
 - (iii) Detasseling - removal of male organs - would have to be done at the proper time.
 - (iv) The hybrid maize seed would have to be harvested and tested for genitic purity and viability.
 - (v) Processing which involves shelling, drying, screening, treatment, and packaging would have to be accomplished.
- The capital required, mostly in foreign exchange, for items

such as shellers, seed cleaners, etc., would amount to
\$ 14,000 or Rs. 65,200.

- (vi) Other cultural practices such as preparation of seed beds, timely irrigation and fertilization would have to be done.

It is obvious that individual farmers could not multiply hybrid maize seed effectively without some form of cooperation since they would have to agree on common actions in order to provide for isolation, roughing, processing, etc. The processing unit would not be economical if less than a certain acreage, say 300-500 acres, are produced. Therefore, capital requirements for the processing plants would have to be done collectively. Such an operation implies temporary pooling of resources but at a particular stage, individual ownership and operation of the land would be maintained. The economies of large scale operations could be effected; the social and psychological factor pertaining to land ownership, ceiling, consolidation etc., would be satisfied; efficient utilization of capital would also be satisfied. The extent to which the cooperative organization would formulate its rules and regulations would be determined by the circumstances in the area. They may even consider having cooperatively owned equipment to service the fields for ploughing etc. Several examples of this type of cooperative activity are found throughout Asia and South America. Thus the basic objective of our discussion is to examine whether in the effort to increase production the cooperativist, the law maker and the executive who hands out the aid lay more emphasis on philosophy rather than practice, or in other words, on form rather than function. I have indicated already that it is function rather than form which is vital, practice rather than philosophy which is pertinent.

During the group work you may wish to approach the discussion from the following points of view :-

1. Confusion of terminology and definition.
For example: when we speak of farming, do we mean the production, processing and, to some extent, distribution of food, feed and fiber, or do we restrict our consideration to cultivation of land only.
2. Rigidity of categories.
For example: Do the conventional categories of cooperation in farming exclude several possibilities for increasing agricultural production by cooperative action?
3. Revision of Definitions and Categories
For example : should we continue to use cooperative farming as a category or term to describe several types of cooperative activity in farming where joint cultivation and/or ownership of land takes place or should we devise new categories and definition which more accurately now described types of cooperative activity in farming operations?

ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
December 6, 1962.

Groupwise list of names.

For group discussions the participants will be divided into following groups. Lecturers and observers can participate in groups of their choice. If the groups so desire Chairman and Secretary of the respective groups may be shifted after sometime.

GROUP A

1. Mr. S.M.Z. Rizvi, Chairman
2. Mr. Siri Sampatisiri. *Secretary*
3. Mr. Abdul Manag bin Mohd. Hashim
4. Mr. Viswanath Puri.
5. Mr. R.N. Vyas
6. Mr. Abdus Salam
7. Mr. S. Gulam Haider Shah
.Mr. S.W.A. Gillani
9. Mr. Pritam Singh Dhillon
10. Mr. M.R. Sikdar.

GROUP B

1. Mr. J. Wagiswara. *Chairman*
2. Mr. Adul Niyomriphat *Secretary*
3. Mr. Inche Supah Noh bin Haji Mohd. Noh
4. Mr. Montree Borisudhi
5. Mr. D.B. Thambat
6. Mr. Mati Malakar
7. Dr. A. Rahim Choudhary
8. Mr. Riazuddin Ahmed.
9. Dr. Barkat Ali
10. Mr. Majid Hassan Khan
11. Dr. M.B. Desai.

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ICA Education Centre,
6, Canning Road,
New Delhi
at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop
December 5, 1962.

A brief note on the opening
of the Cooperative Farming Workshop

(December 5 - 19, 1962)

The South East Asian Regional Workshop for Co-operative Farming was inaugurated in Lahore today by the Provincial Minister for Cooperation, Labour & Social Welfare Mr. Ali Nawaz Gardezi.

The Workshop is being attended by participants and observers from Pakistan, India, Thailand, Ceylon and Malaya.

A prominent participant in the inaugural session of the workshop was Miss G.F. Polley, General Secretary, International Cooperative Alliance, London. In a brief talk she gave some salient features of the activities of the I.C.A. Some more details of the Regional Office activities were given by Dr. S.K. Saxena, Regional Officer for South. East Asia, New Delhi and by Mr. Radetzki, Director of I.C.A. Education Centre, New Delhi.

The workshop is sponsored by the ICA Education Centre and the West Pakistan Cooperative Union.

Following are the full texts of the welcome address by Mr. Riaz-ud-Din Ahmed and the Minister.

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ICA Education Centre,
6 Canning Road,
New Delhi
at Hotel Ambassador,
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Cooperative Farming Workshop
December 5, 1962.

Welcome Address by
Mr. Riazuddin Ahmed, Chairman,
Cooperative Development Board,
West Pakistan, Lahore.

I welcome you to this conference of the South-East Asian countries and thank you for gracing this occasion. This Conference has been organized jointly by the West Pakistan Cooperative Union and the International Cooperative Alliance, which has established an Education Centre for South-East Asian countries in Delhi. It is being attended by representatives from India, Ceylon, Thailand, Malaya and Pakistan, and we have the privilege of having in our midst today, some of the eminent cooperative leaders and experts from these countries. We are grateful to them for their taking the trouble of coming to Pakistan to exchange their experiences with us and we hope that this mutual exchange of knowledge and experience will result in the formulation of plans and policies which will usher in a better and happier era for the rural populations in the South-East Asian Region.

The subject of this conference is "Cooperative Farming", which is a comparatively unfamiliar and controversial subject. The Cooperative movements of the countries in this Region have so far concentrated their attention on Credit, Marketing and Supplies, and the interest in Cooperative Farming is of recent origin. Most of the countries participating in the Conference are those which have won freedom from colonial rule after the second World War and have organized their political and civic life on a democratic pattern. The fact that the supreme power now vests in the people, and the people of these countries live mostly in rural areas, has made it absolutely essential that every effort should be made to enlighten the rural masses and to improve their social and economic conditions. If the prosperity of the rural areas is to be increased, Agriculture must be modernized and more productive methods of farm management must be introduced. The problems of fragmentation of holdings, of small uneconomic farms and of out-moded methods of cultivation must be solved. Experts are now agreed that one of the effective methods of solving these problems is the introduction of Cooperative Farming. But cooperation in cultivation is not easy to achieve. This is because

the average farmer is much too conservative and much too jealous of his own little freedom to join hands with others and pool his resources, particularly the rights of cultivation or ownership of land. A gain, the mere willingness to join hands or pool resources is not enough. The actual working of a Cooperative Farming Society is fraught with many difficulties and pitfalls and it is, therefore, only fair that before a farmer joins a Cooperative Farming Society, he should feel convinced about its smooth and successful working. The use of machinery in Cooperative Farming makes the situation still more difficult, as it brings in its wake the problems of maintenance and repairs and also restricts to a considerable extent, the freedom of the farmer to cultivate his land. The object of this Conference is to examine all the implications of cooperative farming in detail with a view to finding solutions of the social, economic and technical problems involved. The Conference will, therefore, take the form of a workshop in which cooperative leaders, economists, practical farmers and other experts will exchange ideas and experiences.

The term "Cooperative Farming" itself needs to be clearly defined. It has been understood differently in different countries and the systems which are designed by this term range from a loosely knit service society supplying seeds, fertilizers and other agricultural needs of the members to a strongly centralized collective farm of the Russian type. As cooperation is an activity of the people, it is difficult to lay down a rigid pattern to ~~the~~ be designated as Cooperative Farming, but it is desirable all the same to define what a Cooperative Farming Society is. Different types of organizations have come into existence in a number of countries, prominent among them being Yugoslavia, Italy, India and Pakistan and sizable experiments have also been made in Egypt and Thailand. The patterns evolved in the various countries will be studied in this Conference and an attempt will be made to narrow down the definition as far as possible.

Whatever the definition of "Cooperative Farming", the adoption of a cooperative system whereby small farmers will perform joint operations on land, is of immense importance to the countries in the South-East Asian Region. The present farm management is extravagant and uneconomic, and the individual farmer is too poor, ignorant and lethargic to look after himself. He needs the strength which comes by the pooling of capital and other resources and he needs training in the art of democratic management of his economic and social life. Cooperative Farming can go a long way to achieve these objects and to create a more prosperous and enlightened rural community.

In West Pakistan, an interesting and valuable experiment has been made in the field of cooperative colonization and land management. An area of one lac twenty thousand acres comprising scattered blocks

of 500 acres or more in the districts of Multan and Montgomery has been developed by small farmers on cooperative basis and 120 villages have been established in these blocks. Most of these villages have established new abadis with well-planned roads, houses and community buildings such as offices, godowns, mosques and schools. Wells have been sunk, trees have been planted and the entire administration of the village is run on cooperative basis by a managing committee elected out of the members. Thirty of these villages have now taken to mechanised farming and are using tractors on the small farms of their members. Seeds and fertilisers are purchased on cooperative basis and marketing is also done jointly. Agricultural production has more than doubled in some of the villages and the small rural communities have become accustomed to managing their own affairs in a democratic manner with self-confidence and a sense of responsibility. This successful experiment of cooperative colonization and land-management points to a new way of development in the newly irrigated areas and sufficient experience is now available to justify a re-consideration of the entire policy of distribution of land in these areas.

Another project has recently been established on 20,000 acres of land near Thatta in the Ghulam Muhammad Barrage area. Groups of small farmers have been settled on co-operative basis in the nine villages established on these 20,000 acres. Although the work of co-operative colonization began in this area only six months ago, substantial results have already been achieved and the pace of development in the co-operative project is much more rapid than in any other area in the G.M. Barrage. This is in spite of the fact that the quality of land is not as good as in some other places. The progress of this project provides sufficient proof of the fact that small farmers co-operatively organized develop new land much more quickly than big farmers who tend to be absentee land-lords and do not devote all their time and resources to the bringing of land under the plough. Mechanized farming has been introduced in this project from the very beginning and the plan is to eliminate the need for draft-animals for purposes of cultivation. In any case, the number of bullocks required will be very small, as most of the work will be done by tractors and other machinery. Schemes are now being prepared for the settlement of displaced persons from the Mangla Dam and Islamabad areas in the Guddu Barrage lands and it is hoped that with the facilities that the Co-operative organization will make available to the settlers in the form of finance, agricultural machinery, seeds, fertilisers and technical advice, their settlement will become a much easier process than if they were left to look after themselves individually. Block farming on co-operative basis and use of agricultural machinery will be the main features of these schemes and an integrated system of agricultural production supported by credit,

marketing and supply facilities will be set up. Processing industries will also be established in due course.

An experiment of great significance is now being made in East Pakistan in the district of Comilla under the leadership of Mr. Akhtar Hamid Khan, the Director of the Rural Development Academy. This project covers the area of a thana and comprises private lands of small farmers. Twenty tractors are already working on about 4,000 acres and more and more private farmers are joining the cooperatives of their own free-will. The bullocks have been replaced, in most places, by tractors which plough through the lands in blocks obliterating the boundaries of individual farms. The boundaries are recreated after the ploughing has been done and then each farmer works in his own piece of land. Cooperative facilities consist of the provision of machinery, installation of water pumps, supply of agricultural credit, seeds and fertilizers and organization of joint marketing. The scheme has shown great promise of success and improvement in the social and economic conditions of the people is already visible.

Similar projects are now being established on private lands in two districts of West Pakistan, namely, Lyallpur and Sheikhupura. Cooperative Farming on private lands is of great national importance if the first few projects are successful, a new chapter in the history of agricultural development will have been opened.

The cooperative movement in West Pakistan has taken some big strides in the recent past. The distribution of fertilizers and seeds in the province has been entrusted by the Agricultural Development Corporation to a provincial cooperative organization called "The Rural Supply Cooperative Corporation". Fertilizer is already being distributed through 1,500 service cooperatives in 40 districts of the Province and 1,000 more distribution points will be established in the course of the next few months. The volume of agricultural credit supplied by cooperatives has also substantially increased and today more than 70% of the rural credit available to the farmer through Government or official agencies is being supplied by cooperative societies. An important point to know is that while other rural credit agencies, namely, the Agricultural Development Bank and the Revenue Department issue loans out of the funds provided by Government, all the credit dispensed by the cooperative societies comes from within the movement and no contribution is made by Government.

Some of the subjects which will figure prominently in the deliberations of the Conference, are the following:

1. Essential features of a Cooperative Enterprise.
2. Types of Cooperativisation in Farming.
3. Economics of Cooperative action in Agriculture.
4. Cooperative Farming and Agricultural Productivity.

5. Economics of a Co-operative Farming Society.
 6. Experiences of Co-operative Farming.
 7. Social and Economic considerations in Introducing Various Types of Agricultural Co-operative organizations.
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8. Management and Operational Techniques.
 9. Technical know-how and Facilities.

All these subjects are of vital importance and we are looking forward to very fruitful discussions on them.

Apart from the participants who will take active part in the discussions, observers have been invited to watch the deliberations. There is also a general invitation to those who are interested in the subject of Co-operative Farming, to attend as observers. Any person wishing to attend the Conference as an observer, can obtain an admission ticket from the Secretariat of the Conference located in the Ambassador Hotel.

Before I end, I wish to place on record our deep appreciation of the help and advice given to us by the Education Centre of the International Co-operative Alliance, which has not only borne the main burden of expenditure but is also directly supervising the organization of the workshop. We are fortunate in having in our midst today Miss G.F. Polley, the General Secretary of the International Co-operative Alliance and one of the most prominent personalities in the world of Co-operation today. She has held the office of the General Secretary for a long time now and has been eminently successful in managing the affairs of a large organization like the I.C.A., which has the co-operative movements of 51 countries affiliated to it. We have also present amongst us today, Mr. Saxena who is the Regional Officer of the I.C.A. and Mr. Kucukali, Director of the Education Centre at New Delhi, who has recently taken charge of his office. We owe our very special thanks to both these gentlemen for the keen interest they are taking in the development of Co-operation in South-East Asia and for the ability with which they are handling the affairs of the Regional Office and the Education Centre.

In the end, I wish to thank you, sir, for sparing your precious time to inaugurate this Conference. There were good reasons for our selecting you to preside at today's function. You are young, you are dynamic, you are democratic and you are a farmer. You have thus all the elements in your personality which go to make a real co-operator and we are convinced that with your zeal for service and your concern for the common man, you will be a pillar of strength for the Cooperative Movement in this country.

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Cooperative Farming Workshop
December 5, 1962

Text of speech delivered by
Mr. Ali Nawaz Gardezi, M.A.,
Minister for Cooperation, Labour
and Social Welfare, Government of
West Pakistan, at the Opening Session.

I consider it an honour to be called upon to inaugurate the South East Asian Conference on Cooperative Farming. I am myself a farmer and, apart from being officially in charge of the subject of Cooperation I am deeply interested in this nation building activity and consider it the only means of achieving the economic and social uplift of rural masses. I am thankful to you for associating me with the proceedings of this conference and giving me the opportunity of meeting cooperative leaders and experts of international status.

2. The International Co-operative Alliance as the highest organization of the Co-operative Movement needs no introduction from me. It is a matter of great pleasure to us that the International Co-operative Alliance has extended its activities to the developing countries especially the countries of Asia. This seminar is a symbol of its abiding interest in helping to place the Co-operative Movement of our countries on a sounder footing. It provides an opportunity for thinkers of Pakistan, India, Thailand, Ceylon and Malaya to get together and plan on successful evolution of plans and theories which would enable a new attention in the drive for increased production, better incomes and higher living conditions. On behalf of the people and Government of Pakistan, therefore, it is my pleasant duty to welcome the International Co-operative Alliance, the organizers of this Seminar and the delegates of the countries who are represented here.

3. The Co-operative Movement as the effort of small men to get together to fight adverse circumstances and to better their own conditions is as old as history and has been the main stay of all corporate human activities. The operation of the family, the tribe and the Government is but a practical application of the concept of Co-operation. Strictly speaking, however, the modern Co-operative Movement is not very old. It came into being as the result of the desire of the artisan, the labourer and the small farmer to pool his resources and efforts to live in circumstances where larger and larger organizations became an economic necessity. The circumstances necessarily put the emphasis on supplies and marketing instead of actual production. The success of the movement in these fields in the last one century has established that between the free private effort of the individual as symbolised in modern capitalism and the joint ventures of the State and the producer as demonstrated in Communist States,

there is a third force in which combined efforts of men of small means can give successful and adequate results.

4. Co-operative efforts, however, remained limited in the actual field of production till a very recent past. The controversy over State and Party control in Communist endeavour and the experiments in joint farming in several countries had compelled thinking in development of Co-operation for agricultural production. Limited co-operative endeavour in providing finances, technical know-how, tools etc., has been successfully tried. Joint ownership of land and joint farming has, perhaps, not as successful a history. It may be for the East to provide a via media which may point the way for successful co-operative effort in this field.

5. It has been a matter of considerable interest to some of us to trace co-operative elements in tribal and communal societies, especially in the East. We, in this country, are familiar with the organization of the village community which, unfortunately, is no longer a reality. We are familiar with the fact that in spite of countless invasions, marches of marauding armies and the movements of conquering tribes, the life in the villages of the East continued in its patient and calm stream. The village communities seldom resisted external force but bowed their heads for the time being and continued with the even tenure of their ways. That fact has only been recently recognised and efforts for community development in so many countries are a mere recognition of the efficacy and the success of this organization.

6. The village communities were not only in the past an administrative and political reality but had reached an economic development of a fairly high order. The land was owned by the largest section of the community and the artisan, the small semi-industrial worker like the carpenter, the potter, the blacksmith and others, the shop-keepers and the money lender, were a part of the community even though they did not belong to the land owning classes. The land was held by the community as a whole but became the property of the individual who successfully brought it under the plough. The whole community or a section of it combined together in preparing land for sowing and worked together when harvesting crops. Where irrigation was applied, the means of irrigation were controlled and operated co-operatively by the individuals who were interested in these means. Even now these features exist in our agriculture and what is true of Pakistan is true of all the countries represented here, especially in the small farms sector.

7. These remnants of economic co-operation are a base on which a replanning is possible. This replanning is going on in several forms in our countries and its most ambitious pattern is what has been called 'Co-operative Farming'. In several countries of Europe and America, developments on small scale had been going on in this field. The Mexican and the Italian experiments have successful features which provide pointers for our guidance. The massive experiments in Russia and China in co-operation of agriculture may perhaps be left out of consideration as their

ultimate objective is collectivisation on a different basis.

8. What exactly is a co-operative farm is a matter of opinion. Some believe that there is no co-operative farming without joint ownership of land or at least joint operation of the means of production. Others believe that successful co-operative farming must continue to be limited to the availability of tools for production to individual holders for their individual use with possible joint efforts on special occasions. Yet, others believe that mere provision of facilities, capital etc. is all that can be attempted.

9. These widely different views need not be reconciled. Co-operative endeavour will succeed in accordance with acceptance by the people concerned and that acceptance must depend upon the psychology, emotions and the education of the people affected. If we can re-create an economic organization in the villages which can successfully fight the battles of the producers in the conditions of today, if we can enable our farmer to invest in agriculture and increase his production, if we can get the benefits of large scale farming from a combination of small farms, and if we can help to get him the best monetary returns from his endeavour, whatever methods are used, they will result in success. I feel that if we can base our approach on the existing co-operative element in our agriculture, we would certainly be able to reach the farmer who is hampered by traditions of thousands of years.

10. Before closing, I would like to emphasise that the Government of Pakistan is giving co-operative effort a high priority. After careful thought Government have concluded that co-operative organization is the most effective instrument of accelerating the economic development and the principal means of promoting social justice. They feel that vast resources of human labour and finance which lie spread in the country should be organised on a co-operative basis and small producers of all types - farmers, labourers, and craftsmen - should be encouraged to form co-operative societies in a spirit of self-help and mutual aid so that they may contribute their highest potential to the economic and social life of the country. Government further feel that political democracy cannot succeed unless it was accompanied and backed by a successful economic democracy. The Co-operative movement which represents a system of economic democracy has great potential as an instrument of national advancement and they have, therefore, decided to give full support and assistance to the organization and development of co-operative societies in all fields of economic activity. Keeping the above principles in view, a number of decisions of far-reaching importance have been taken and announced by Government. Some of them are :-

a) The small land holders should be encouraged to form co-operative societies with the help of incentives. These incentives would be in the form of (a) subsidized services, such as extension services, fertilizers, insecticides and improved seeds; and (b) subsidised machinery, such as tractors, tube-wells, etc.

(b) In the case of small land holders who do not agree to group

themselves into co-operative societies even through incentives; disincentives in the form of fiscal measures would be adopted such as the penalisation of incorrect use of land and water. The term 'Small Land Holders' in this context was taken to mean persons who own upto 12½ acres of land in West Pakistan and upto 4 acres in East Pakistan. However, even those who had more land would be free to join the co-operatives.

- (c) One of the conditions of allotment of State land would be that the allottees should, as far as possible, join a co-operative farming society, but this condition would be carefully considered before it was enforced.
- (d) In the matter of distribution of available resources, viz: tractors, implements, etc.; preference would be given to co-operative societies over individual land owners;
- (e) If tractors, were not available and the co-operatives wanted them, then Government would make efforts to get them. The dealers would also be required to give priority to co-operatives. The cash ceiling will be raised to import more agricultural machinery. The same facilities would be extended to power pumps and tube-wells required for East Pakistan.
- (f) Incentives for increased production would be given even to those who remained outside co-operative societies or tilled their land without mechanisation.

11. Pakistan is happy that it was selected for this important Seminar. We would be looking forward to a successful conclusion of your deliberations to help us in taking policy decisions.

Ladies and Gentlemen, I declare the Seminar OPEN.

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A Scheme for Cooperative Mechanized Farming in small holdings.

Introduction.

The problem of agricultural production is at present the biggest problem of Pakistan's economy. The pressure of population on agricultural land, the smallness of individual holdings, the lack of knowledge about better methods of farming and the utter poverty of the average cultivator are the main factors which have obstructed the development of agriculture in this country. The land reforms have done much to break down old feudal traditions by giving proprietary rights to landless tenants but these new peasant proprietors are now faced with the problem of finding the wherewithal to stand on their own feet.

Government has tried various measures to increase agricultural production and recently Agricultural Development Corporations have been set up in the two provinces to undertake a more vigorous and co-ordinated activity for the development of agriculture. But the problems of smallness of holdings and resourcelessness of the cultivator cannot be solved by Government agencies alone. These problems can be solved only by the millions of small farmers themselves if they decide to pool their resources and to make cooperative use of land, labour and finance so as to be able to organise effectively the investment of capital and the application of improved methods of cultivation including the use of machinery. In other words, cooperative farming can, if properly organised, provide an effective solution of the problem.

Meaning of Cooperative Farming.

The term 'cooperative farming' has been interpreted differently by different people and the systems which are designated by this term range from a loosely-knit service society supplying seeds, fertilisers & other agricultural needs of the members to the strongly centralised collective farm of the Russian type. After careful

consideration we have come to the conclusion that it will not be wise to adopt only one or the other of these systems as the final answer to the question and that a certain degree of flexibility should be allowed to give to the agriculturists of a local area the type of cooperative society most readily acceptable to them. It may, however, be stated as a general principle that the best system of cooperative farming is that which combines centralised control with individual initiative and relies for its success more on incentive than on compulsion.

Mechanised Cooperative Farming.

Cooperative farming has been the subject of discussion in recent years in almost all the under-developed countries of the world. Various forms of cooperation have been tried with varying degrees of success in different countries. Among the countries which have achieved substantial success in cooperative farming Yugoslavia's example is outstanding. The President of Pakistan visited that country and was impressed by the great advance made by it in the field of agricultural production. In the month of July this year a six-man delegation which included the writer of this note also visited Yugoslavia to study the working of agricultural cooperatives. The delegation found that in Yugoslavia cooperative mechanised farming had been adopted as the main instrument of agricultural production and the production in some areas had gone up by three times. The success of cooperative farming in Yugoslavia was of course largely due to the very favourable circumstances created by the Government for the working of co-operatives but the Pakistani delegation was convinced that even under the less favourable circumstances in this country agricultural yields could be increased substantially by using machinery on cooperative basis.

Mechanisation of agriculture on small farms has, however, to be handled very carefully as it can create new

social and economic problems. There is no doubt that machinery is more productive than bullock power or human labour but it is at the same time likely to produce the problem of displacement of labour if it is introduced suddenly and completely on a large area. Again, the use of machinery alone is not sufficient for getting the desired results in agricultural production and the use of other methods of improved farming are equally important. The use of good seeds, fertilisers and implements, the combination of small holdings into convenient blocks, proper alignment of irrigation channels and scientific crop rotation patterns - all these measures are absolutely essential if optimum results have^{to}/be achieved. This Scheme, therefore, aims at a comprehensive approach to the problem of agricultural production and seeks to combine the use of machinery with the use of progressive methods of farming.

Marketing.

But the farmer has another important problem to face and that is the problem of marketing. Under the present system the farmer does not get a fair price for his produce as he has to sell it to a trader at a time when there is a glut in the market and the prices are low. He is in immediate need of money and tries to get rid of his produce as soon as possible. The trader who is a middleman with good financial resources regulates his sales to the consumer in a manner that gives him large profits. The substantial difference between the sale price of the producer and the purchase price of the consumer thus goes to the middleman. Fluctuations in the market price of agricultural produce, quite often manipulated by the middleman, also create a state of uncertainty for the small producer and as he has no knowledge of market conditions and has no staying power he does not wait for a favourable opportunity for the sale of his goods. In order to ensure, therefore, that the producer gets a fair price for his harvest

marketing has also to be organised on cooperative basis. The present scheme takes care of this aspect also. The cooperative farming societies will market their own produce at the appropriate time and in order to give immediate relief to their members they will advance loans to them against the stocks brought to the godowns of the societies.

Processing

The final step in the cooperativisation of agriculture is the processing of agricultural commodities on cooperative basis. It is proposed to set up, at a later stage, ginning factories, flour mills, oil expellers etc; for processing the agricultural produce of the members.

This scheme is thus an integrated scheme of cooperative development from ploughing of land to marketing and processing of agricultural produce and so far as mechanisation is concerned care has been taken to ensure that farming operations are promoted without depriving the small farmer of his independence and without paralysing his initiative,

Location of the Scheme

The Scheme will be introduced in the cooperative farming societies of Multan region where approximately 1,40,000 acres of state land stand allotted in compact blocks of 500 acres or more to 125 cooperative societies. The area commanded by canal irrigation is 1,20,000 acres. Each society represents a village. Each cultivator has a holding of $12\frac{1}{2}$ acres and cultivates it with a pair of bullocks. So far, the members have been carrying on cooperative activity in the fields of irrigation, supply of seeds, fertilisers and credit, construction of houses and community buildings and, to some extent, marketing of produce. Cultivation is done according to a plan approved by the managing committee which also looks after the administration of the village. Since the farmers in this area are already used to doing certain things cooperatively and since the individual holding is of a reasonable size it is considered that this is the best area for the establishment of the first large project of mechanised cooperative farming. The land belongs to Government but it has been decided to sell it to the individual members on payment of price in 15 years on the condition that they shall not opt out of the cooperative society till the proprietary rights have been transferred to them at the end of 15 years. The farming societies have also built up sizable reserves and will be able to participate effectively in financing the

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project. They have organised themselves into a Union which will employ staff costing over Rs. 1,31,000 per annum, and it is hoped that the Union, will, given the necessary financial and administrative support from Government, be able to push through the scheme of mechanisation which is now proposed to be launched. The villages though scattered are not very distant from one another and it will be possible to achieve the concentration of effort needed for the Scheme.

Phasing of mechanisation

It is proposed that mechanisation should be introduced by stages in this area and a group of societies covering about 40,000 acres should be taken up each year. The entire area should at this rate be covered in $3\frac{1}{2}$ years' time. Only partial mechanisation restricted to the use of tractors for ploughing and preparation of seed bed will be undertaken in the first phase covered by the present scheme. Further mechanisation will be achieved in later stages.

Amount of machinery needed

The needs of machinery have been calculated at the rate of one tractor for 500 acres. Thus 250 tractors will be required for the Scheme. The major agricultural operations such as seed-bed preparation will be done by the tractors and sowing, interculture, threshing etc; will be done by bullocks. It is estimated that with the introduction of tractors 50% of the bullock power will become surplus. This means that each cultivator will be able to dispose of one bullock. But as two bullocks working together are normally required for agricultural operations it has been proposed that the cultivators should double up and two of them should join their holdings to form one block of 25 acres and maintain one pair of bullocks.

Service and repairs.

It will be necessary to organise satisfactory service and repair facilities for the agricultural machinery. The Scheme, therefore, envisages the setting up of a workshop at Khanewal to be financed and controlled by the Cooperative Farming Union. Besides this workshop there will be 12 service depots in the 12 circles into which the area will be divided. Each circle will look after about 20 tractors. For every unit of 5 tractors there will be a mechanic who will look after the operations in the field. The operators who will be recruited mostly from amongst the members and their relatives living in the area will be properly trained and will be supervised by the mechanics. The tractors will belong to the societies but their repairs

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and servicing will be the responsibility of the Union. The Union will also maintain a reserve of tractors at the various circle depots to be available for use wherever there is a break down.

Training

The success of the scheme will depend greatly on properly trained technical and managerial staff. Tractor operators and farm managers will, therefore, have to be given training before they are put in charge of machinery and farm management. It is expected that the first batch of trainees will be available by the end of December this year. The training programme has already been launched in anticipation of the sanction of this project and 50 farm managers and 50 tractor operators are already undergoing a course of training at the Agricultural College Lyallpur and other places. It is estimated that 240 tractor drivers and 120 farm managers will be needed for the plan period.

Organisation and management

Each of the 120 villages will have a minimum staff of one manager, & one munshi (accountant). The pay of the manager will be about 110, that of the munshi about Rs. 95/-. The managers will, in the first instance, be drawn from the cadre of Sub-Inspector of Cooperative Societies and will be given a short course of training in agricultural operations. Their services will be placed at the disposal of the societies and they will work under the administrative control of the managing committees. It will be their job to carry out the development programmes approved by the managing committees and to arrange for the marketing of the produce and maintenance of proper accounts. The munshi will keep the accounts and will also function as salesman at the local cooperative store which will supply to the villagers not only agricultural commodities such as seeds and fertilisers but also basic consumer goods such as soap, oil, kerosene and coarse cloth.

The villages will be grouped into circles and there will be 12 circles for 120 societies each under the charge of a Circle Officer. The Circle Officer will as far as possible be an agricultural expert and his status will roughly correspond to that of a class II officer. He will supervise the work of the farm managers and will co-ordinate the activities of the villages within his charge for purposes of marketing, maintenance and repairs of machinery and the supply of commodities to the village cooperative stores. The Circle Officer will be assisted by a foreman to ensure

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that machinery is kept in proper order and that minor repairs can be carried out locally. For major repairs the tractors will have to be sent to the central workshop at Khanewal. The ~~apprentice~~ Agricultural Engineer will remain under training on the job to replace the existing untrained Circle Officer gradually during the plan period.

Above the circle officers will be the central office of the Cooperative Farming Union, Khanewal, with a properly staffed headquarters organisation. The affairs of the Union will be administered by a managing committee consisting of elected members and nominated experts. The chief executive officer of the Union will be the General Manager in the grade of a senior class I officer. He will be assisted by four experts, namely, the agronomist, a mechanical engineer, a cooperative education and a Marketing officer and an accounts officer. The General Manager and some of the staff have already been appointed in anticipation of the sanction of the Scheme.

Government Staff

At present there is a large number of supervisory staff appointed by Government to look after the cooperative farming societies. It consists of one Deputy Registrar, 4 Assistant Registrars, 16 Inspectors and 4 Auditors with the necessary ministerial staff. It is proposed that under the new set-up most of the functions of the Government staff should be transferred to the staff of the Cooperative Farming Union. The General Manager will henceforth perform some of the functions of the Deputy Registrar and the 12 Circle Officers will replace the Assistant Registrars and the Inspectors. It is, however, felt that a small Government staff should be retained to perform the normal functions of audit and supervision of Cooperative Societies. This staff should consist of two Assistant Registrars, four Inspector and four Auditors with the necessary ~~complementary staff~~ of the ministerial grade. Economics of the Scheme:-

According to the scheme two cultivators owning $12\frac{1}{2}$ acres each will combine to form one block of 25 acres on which they will maintain one pair of bullocks. The use of machinery including P.O.L. maintenance and depreciation will cost a cultivator Rs. 450 per annum. This amount is roughly equal to the amount which he would spend on the maintenance of a bullock. As he will be able to dispose of one of his bullocks, the use of machinery will not cost him anything extra. The capital investment in tractors and implements per cultivator will be Rs. 375. This is much less than the price of a bullock which the machinery will replace. A bullock normally costs Rs. 500. It is expected that mechanisation combined with other

improved methods of cultivation will increase the income of the cultivator by 20% in 3 years' time. In addition he will have 1½ acres for his homestead farm on which he can raise fodder and vegetables. In place of the bullock sold by him he can keep a milch animal and thus make further addition to his income.

"According to Mr. M.S.Gill, Professor of Agriculture and Rural Economics, Punjab Agricultural College, Lyallpur (I) the cost of bullock cultivation has been worked out to be Rs. 7.10 per day.

The following table provided by the Agriculture Department (2) gives the relative cost of cultivation with different tractors and bullock power :-

- (1) Unpublished records of Agricultural College, Lyallpur, 1960-61.
 (2) Fifty years Research Note of the activities of the Agriculture Department, West Pakistan by Gill M.S. 1960 (p.225).

Area covered increase per hour Cost per acre in rupees						
Ploughing.	Cultivating.	Disc Tilling	Ploughing.	Cultivating.	Disc Trilling.	
1	2	3	4	5	6	
Powerinel Ferguson 25 M.P.						
0.32	1.54	0.94	Rs.12.47	Rs.3.84	Rs. 6.18	
Kerosine Oil						
2. Formal						
25.M.P.	0.45	1.43	1.15	Rs.14.99	Rs.4.25	Rs.5.63
Diesel 3. Oliver						
35.M.P.	0.48	1.56	1.23	12.32	4.50	5.00
Kerosine 4 M.G.5						
4.5 M.P.	-	0.31	-	-	10.75	-
5 Bullock	-	-	-	-	5.75	-

Although the above figures relate to the year 1952-53 yet they reveal a good picture of the comparative cost of cultivation with tractors and bullocks. The above data reveals that the cost of cultivation per acre is higher in case of bullocks by 28-50% as compared to the cost of cultivation with a tractor. It may also be mentioned that one operation with a tractor cultivator is as efficient as two bullock ploughings with a local plough. A pair of bullocks can cover one acre in eight hours with Desi Plough but a tractor will cover four acres with M.B. plough, eight acres with Disc Harrows and 12-16 acres with a cultivator in eight hours.

The following table shows the average increase in production per acre at Risalawala Power Farming Station during the year 1952-54, as a result of mechanized farming :- (3)". *

Crop	Average increase in maunds per acre.
1. Sugar-cane	147.73
2. Wheat	4.10
3. Maize	6.76
4. Toria	2.01
5. Gram	3.29

Finance:-

The financial implications of the scheme are as follows:-

1. Capital investment
 - a) Machinery including tractors, Implements, Workshop equipment and transport..... Rs.52,50,000
 - b) Buildings for workshop, office of the Union and residence staff..... Rs. 7,50,000
2. Recurring expenditure including Total:- Rs.60,00,000
 - repairs, spare parts, P.O.L. administrative costs, training expenses and interest..... Rs.93,57,000

The total expenditure both recurring and non-recurring for the plan period of $3\frac{1}{2}$ years will be Rs. 1,53,57,000 and foreign exchange component will be Rs. 55,15,000.

*3. Fifty years Note of the activities of Agriculture Department, West Pakistan, By Gill H.S. 1960 ().228).

The expenditure of Rs. 93,57,000 represents 10,20,000 hours of tractor operations. This works out to Rs. 9 per hour including all charges operational and administrative. If depreciation charges are also included the cost of use of machinery will be Rs. 11.25 per acre per hour which compares favourably with the rate of the Agriculture Department which is reported to be Rs. 15/- per hour.

The recurring expenditure consists of the following main items :-

(a) Repairs and spare parts.	Rs. 16,20,000
(b) P.O.L.	Rs. 25,50,000
(c) Interests.	Rs. 10,32,000
(d) Cost of administrative and technical staff and contingencies.	Rs. 41,31,000
(e) Training of operators, mechanics and farm managers.	Rs. 96,000
Total:-	Rs. 94,29,000

ESSENTIAL FEATURES OF A CO-OPERATIVE ENTERPRISE

(Riazuddin Ahmed)

In order to determine the essential features of a cooperative enterprise, it is necessary to understand clearly the definition of a cooperative society. In the past one century and more, various definitions of Cooperation have been attempted by social and legal thinkers, but the concept of a cooperative enterprise still remains somewhat vague. This may seem curious, but there are historical reasons for this situation.

Firstly, Cooperation started as an activity of the poor and its main object was to bring relief to those who were individually too weak and too isolated to stand on their own feet in a capitalistic order and were subjected to exploitation by the capitalist and the middleman. In England, the first successful consumer store was set up by a group of poverty-stricken weavers and in most of the other countries of Europe and Asia, small farmers got together to provide agricultural credit and other facilities to one another. It was only after the pioneer cooperative societies had achieved conspicuous success and the ideology of cooperation had received some publicity that comparatively well-to-do persons began to feel attracted towards this new idea of business management.

Secondly, in some countries of Europe, the formation of cooperative societies did not follow the passing of a law, and in the initial stages of the Movement, cooperative societies did not embody any legal concepts. It was after some cooperative societies had functioned effectively as corporate bodies distinct in character from other profit-making organizations that the law took notice of their existence, recognised them as legal entities, and sought to regulate their establishment and working. Thus, different types of cooperative organisations grew up in different countries and in different circumstances and strict uniformity of pattern was not maintained. Even in those countries where the cooperative Movement started as a sequel to a legal enactment, the legislators wisely refrained from laying down a rigid pattern for cooperative associations. As Cooperation was an activity of the people, it was left to the people themselves to decide what type of organisation they would set up and so long as that organisation did not violate the fundamental principles of Cooperation, it was recognised as a cooperative

enterprise. In most of the countries of Asia, the Registrar of Cooperative Societies was given authority to determine, by executive instructions, the patterns and procedures of cooperative associations within the broad concept of Cooperation.

None of the definitions given by the writers on Cooperation is fully comprehensive, although many of them give a fairly clear idea of some of the basic features of a cooperative enterprise. Mr. C.R. Fay, gives a good definition when he says that a cooperative society is " an association for the purpose of joint trading, originating among the weak and conducted always in an unselfish spirit, on such terms that all who are prepared to assume the duties of membership, may share in its rewards in proportion to the degree in which they make use of their association". Mr. H. Calvert, a former Registrar of Cooperative Societies at Lahore, has given a definition which is now widely accepted. He says, "Cooperation, then, is a form of organization, wherein persons voluntarily associate together as human beings, on a basis of equality, for the promotion of their economic interests of themselves ". This is a terse statement, but even this does not bring out all the essential features of a cooperative enterprise. From my experience in the field, I have found that people who wish to form cooperative societies in the light of these or other available definitions, tend to regard cooperative societies as another name for Joint Stock Companies, with the only difference that the management of the business will be on the basis of : 'one person - one vote' and not 'one share - one vote'. This is because, apart from the principle of equality, all the other features of a cooperative society indicated in Mr. Calvert's definition are also common to Joint Stock profit-making Companies. For, after all, a joint stock company is also an organisation in which persons voluntarily associate together as human beings for the promotion of their economic interests. It seems desirable that the definition of a cooperative society should be more comprehensive, so that its distinguishing features can be seen at first sight. This can be achieved by a slight modification of Mr. Calvert's definition, and the definition which I would like to give to a cooperative enterprise is as follows :-

" A cooperative society is a form of business organisation in which persons voluntarily and actively associate together in a spirit of mutual help on a basis of equality for the achievement of their common economic objects. "

I have added a few words in this definition and although this definition too is not as exhaustive as one would like it to be,

it should be possible to see in it the dividing line between a cooperative enterprise and a joint stock company. In the following paragraphs, I shall subject this definition to analysis and this analysis will bring out the essential features of a cooperative enterprise.

The first important feature of a cooperative enterprise is that it is a business organisation aimed at the satisfaction of the economic needs of its members. Although cooperative societies are supposed to do business strictly in accordance with principles of integrity and justice, their working has to be directed to the achievement of an economic object. It is true that many cooperative societies devote part of their profits to social welfare activities and undertake to provide educational, medical and recreational facilities to their members and employees and even to other persons but their primary object is to make a success of their business and to justify their existence on purely economic grounds. A substantial part of the net profits must be distributed among the members according to the business done by each with the society and part of the surplus should be applied to charitable objects but the character of the organisation must remain essentially commercial. A cooperative enterprise is thus neither a social welfare nor a charitable organisation; it is basically a business organisation functioning for the satisfaction of the material needs of its members. This is why a cooperative society is expected to maintain a neutral attitude in matters of religion and politics so that its attention is not diverted to objects other than economic.

The second essential feature of a cooperative enterprise is that it is a union of persons and not a union of capital. The members associate together more as human beings using capital as a subsidiary element in business and not as the dominating factor. Thus, in a cooperative enterprise, human personality is more important than capital and 'man' takes precedence over 'money'. Whatever the number of shares purchased by each individual, his rights and obligations are the same as those of all other members. There is thus an equality of status among the members. Whatever the financial and social position of the individual members may be outside the cooperative enterprise, their status within the organisation is equal. Each member has equal voice in the management of business and has equal opportunities to make use of the facilities offered. The principle is: 'one person - one vote' and not 'one share - one vote'. This principle of equality has so far been the most distinguishing feature of a cooperative enterprise and also one which has been criticised by outsiders as a source of weakness

in cooperative business. While cooperators pride themselves on the principle of equality of all members, the critics say that persons who have only a small share in the capital of a business organisation, tend to act in an irresponsible manner. They have very little stake in the business and if the enterprise fails, they do not have much to lose. There is considerable force in this criticism and experience has shown that members with a small stake in the business of a cooperative society, do tend to behave irresponsibly in some cases. But this happens, where the members have joined the society not as a result of a pressing need, but as a mere gesture of goodwill or out of a desire to acquire a position of importance. However, in a genuine cooperative society composed of members who have joined together for the fulfilment of a felt need, there would be very little risk of irresponsible behaviour even though the share holding may be small in some cases.

In some cooperative enterprises, the principle of equality is somewhat modified by fixing a qualification share for the directors or the members of the managing committee. Thus, while all members have an equal right to vote, only those who possess the qualifying number of shares, can be elected to the board of directors. How far this modification hits the principle of equality, is a question for consideration. I am unable to give a categorical answer to this question, as this modification has been accepted in some of the older Movements, but I would take this opportunity to observe that ideally speaking, all members should have equal opportunity to be elected to the board of directors or the managing committee. This is because, if a line of distinction is drawn between those who are entitled to actively manage the business of a cooperative enterprise and those who should content themselves with being only the electors of the managing committee, the principle of mutual responsibility will not be fully enforceable. Cooperative societies are democratic bodies and in a democracy all members should have equal voice and equal opportunity.

In some societies, a device adopted is to classify the membership into 'A' and 'B' categories. The 'A' class members are those who actively associate in the business and assume responsibility for its management. The 'B' class members are those who make only restricted use of the facilities offered by the society and their rights and responsibilities are also restricted. In theory, this too is not in conformity with the orthodox philosophy of Cooperation. In practice, however, it has been found that some people want to make use of the facilities provided by a cooperative society, but are not prepared to share the risk and responsibilities of its business.

An example of such an organisation is a farmers' society which maintains agricultural machinery for use by members. Some farmers, outside the society, may like to use this machinery on casual basis and would be prepared to pay hire charges for such use without being active partners in the business. They may even like to lease their lands to the cooperative society for full management. The society can, in such cases, enrol these outsiders as associate members or 'B' class members with a view to bringing them into the cooperative fold and making them subject to the discipline of the cooperative enterprise without giving them a voice in its management. This compromise arrangement does not seem to violate the principle of equality, as the arrangement suits both parties, and the rights and responsibilities of each are clearly understood.

The third important feature of a cooperative enterprise is voluntariness of association. It is one of the basic principles of Cooperation that persons should be free to join and leave a cooperative society. It is said that compulsion and cooperation are contradictory terms, and where a group is compelled to organise itself into a cooperative society, the spirit of cooperation departs and the organisation ceases to be a genuine cooperative enterprise. In some countries, serious departures have been made from this principle for the purpose of bringing about planned development, particularly in the field of agriculture. In most of the communist countries, cooperative enterprises are established by order and while a considerable degree of autonomy is allowed to such enterprises for their internal management, no choice is given to the individual to separate himself from the organisation and to conduct his business individually. In some other communist countries, such as Yugoslavia, where land has not been nationalised, direct compulsion is not used, but circumstantial compulsion is applied. Thus, conditions are created by provisions of law to make it difficult for a private farmer to conduct his business without being a member of a cooperative society. It is decreed, for instance, that all farmers must sell their produce to a cooperative enterprise and that all supplies shall be taken from cooperative societies. This circumstantial compulsion is not restricted to communist countries only and is applied, although with a lesser degree of intensity, in some other countries also. There is no doubt that the Movement originated as a completely voluntary activity and in the Western Democracies it retains its original voluntary character. Experience has, however, shown that insistence on the principle of voluntarism does slow down the expansion of cooperative activity as the conservative nature of man makes him cautious about

involving himself in joint activity. But the problem before the developing countries is: whether it should be left to each individual person to weigh in his mind the pros and cons of entering into cooperative association with others and then take a decision or whether governments should create conditions whereby people will be induced or even compelled to set up cooperative enterprises? The situation becomes more complicated by the fact that an overwhelming majority of the populations in the Asian countries are uneducated and, therefore, incapable of seeing the virtues of Cooperation. Should the governments first undertake a programme of mass education and then invite the people to join cooperative societies? But what expenditure of money and what period of time will be involved in this programme of mass education! Is it possible at all for the developing countries to accomplish the gigantic task of mass education in a short period of time? And as Cooperation is in itself an instrument of education, will it not be better to make people cooperate so that they get educated in the art of democratic management in the process? These are the questions which baffle the minds of politicians and economists in the countries which have lagged behind and which have somehow to solve the problem of feeding millions of hungry mouths.

Again, while adherence to the principle of voluntarism does not do any damage so far as distributive trade is concerned, in the sphere of agricultural production, it raises some serious practical difficulties. Agricultural land, which constitutes the main part of capital in a rural society, cannot be divided, separated and transported in bits as money or machinery can be. The farmers live on the land and work in their fields. If a majority of them in a village want to join a cooperative farming enterprise but a minority does not, the two groups cannot physically separate their lands and manage them in different manners. If a small group of recalcitrant farmers refuse to cooperate with the majority, should the majority give up its project and wait till each one of the minority has been converted to its view? Should the obstinacy and unreasonableness of a small minority hold up the progress of the community as a whole? In view of these difficulties, a compromise has been made with the principle of voluntary association in some countries so far as agricultural cooperatives are concerned. Thus, in South Africa, it was provided by law that if 75 % of the producers of any kind of agricultural produce, who also produced 75 % of such products in a given district, agreed to the collective sale of their products, each grower was legally bound to sell his produce through the collective agency. In some countries, including Pakistan, Government land is allotted to groups of persons on the condition

that they would continue to be members of the Cooperative society for a stipulated period. But these departures from the principle of voluntariness can be justified only as measures reluctantly adopted under the pressure of national need and should not be considered as part of cooperative philosophy. As far as possible, Governments should use incentives instead of compulsion and avoid doing any damage to the voluntary nature of cooperative association. My own view is that voluntary association is one of the most essential features of a cooperative enterprise and even though the adherence to it may slow down the expansion of the Cooperative Movement, it should, as far as possible, be maintained as a distinguishing feature of cooperative enterprise. If compulsion is replaced by incentive, many of the social and psychological problems, which follow in the wake of compulsion, will be avoided and cooperative enterprises formed out of free and voluntary association will be much more enduring and will have much greater chances of success than those formed under compulsion.

Another basic feature of a cooperative enterprise, which is quite often overlooked, is the active association of the members in the business of the enterprise. It is not enough that the association should be voluntary; it is also necessary that the association should be active, that is to say, that the members should do business with the cooperative society in the normal course of satisfying their daily needs and should not become what are called sleeping partners. In my opinion, of all the features which distinguish a cooperative enterprise from a joint stock company, active association is the most important and draws a clear line between the two types of organisations. In the case of a joint stock company, a share-holder invests some capital and then forgets about it for a year till the dividend is declared. If he finds the business prospering, he buys more shares. If he finds it unsatisfactory, he sells them off. He thus functions as an idle capitalist who makes use of his money only to derive some additional income and who all the time follows a vocation of his own which may be entirely unrelated to the business of the company of which he is a share-holder. In a cooperative society, on the other hand, a member joins the enterprise in order to fulfil a basic economic need and conducts day-to-day business dealings with his cooperative for this purpose. His association with the enterprise is thus active and not passive, and there is a direct connection between his own business and the business of his cooperative. I have found from my experience that the lack of appreciation of this important point has been responsible for the registration of many spurious

societies in which people join together to earn profits without doing any work as they do in a joint stock company. For instance, I receive many proposals from groups of persons comprising merchants, industrialists and Government servants who wish to set up cooperative farming societies. Their object is to acquire land on collective basis and entrust the management to a paid employee without themselves undertaking farming operations. They would follow their normal vocations wherever they are and would only collect profits at the end of the year. We have to refuse the registration of such societies, because they are more in the nature of joint stock companies than cooperative societies, and the object of the members is to get a return on the capital invested by them and not to do active business with the society for the fulfilment of their common economic needs.

The fifth distinguishing feature of a cooperative enterprise is its adherence to moral and human principles in the conduct of business. The object is not to make large profits, but to provide service to the members in a spirit of mutual help and mutual responsibility. While self-help is the motivating force in cooperative association, it is not permitted to degenerate into selfishness. One of the definitions of Cooperation is that it is an economic activity regulated by human and moral considerations. Thus, while business should be done with all the skill and competence of a commercial enterprise, it is absolutely necessary that profits must be legitimately earned, accounts must be properly maintained and all taxes must be duly paid. Not only this. Dealings with clients should be courteous and sympathetic and no attempt should be made to take undue advantage of market conditions at the expense of the consumer. No discrimination should be made between human beings on the basis of caste, creed or colour, and universality of human brotherhood must be recognised both in theory and practice. It is because of this clear and strong emphasis on human values that Cooperation is sometimes regarded as a faith and a creed. And indeed it should be so, as the ideology of Cooperation can help to eliminate most of the causes of friction between communities and countries. In fact, as this ideology has to be translated into action in every day businessmanagement, it is likely to serve as the most potent instrument for the social and economic uplift of mankind.

I have now completed the analysis of the definition which I submitted in an earlier paragraph and it will be seen that if this definition is clearly understood, the essential and distinguishing features of a cooperative enterprise will become apparent. These features undoubtedly establish the superiority of the cooperative

organization over any other form of economic activity. They represent a happy synthesis of material needs and moral values, both of which are so important for the prosperity and happiness of human beings.

Riazuddin Ahmed

ICA Education Centre,
6 Conning Road,
New Delhi
at Hotel Ambassador,
Lahore.

List of Participants
for
Cooperative Farming Workshop
to be held at Lahore
(December 5 - 19, 1962)

Cooperative Farming Workshop

CEYLON

1. Mr. J. W. Ariyaratne,
Department of Cooperative Development,
"Echelon Square",
P.O. Box 419,
Colombo 1.
2. Mr. A. D. Indraratne,
Lecturer of Applied Economics,
University of Ceylon,
Kandy.

MALAYA

3. Mr. Pritam Singh Dhillon
6, Anderson Road,
Tanjong Anson,
Malaya.
4. Mr. Inche Supah Noh bin Haji Mohd Noh,
Lecturer, Cooperative College of Malaya,
Petaling Jaya,
Kuala Lumpur.
5. Mr. Abdul Manag bin Mohd. Hashim,
c/o Department of Cooperative Development,
Kuala Lumpur.

THAILAND

6. Mr. Abdul Niyomriphat,
Chief,
Division of Land Development,
Ministry of Cooperatives,
Department of Cooperation,
Bangkok.
7. Mr. Siri Sapatissiri,
Senior Lecturer in Economic Development,
Faculty of Economics,
Thammasat University,
Bangkok.
8. Mr. Montree Borisutdhi,
Lecturer in Agricultural Economics,
Faculty of Economics,
Thammasat University, Bangkok.

INDIA

9. Mr.D.B.Thambat,
Deputy Registrar,
Cooperative Farming,
Government of Maharashtra,
Poona.
10. Mr.Viswanath Puri,
Mohalla Paramjeet Gunj,
Kapurthala (Punjab)
11. Dr.M.B.Desai,
Professor of Agricultural Economics,
University of Baroda,
Baroda.

ICA RESEARCH FELLOWS, 6 CANNING ROAD, NEW DELHI

12. Mr.M.R.Sikdar,
Research Fellow.
13. Mr.R.N.Vyas,
Research Fellow.

PAKISTAN

14. Mr.Abdus Salam,
Deputy Registrar, Cooperative Societies,
(Headquarters)
6/4 Segun Bagicha,
Dacca.
15. Mr.Mati Malakar,
Village Institute,
Naogaon, Dt.Rajshahi,
East Pakistan.
16. Mr.Riazuddin Ahmed,
President,
West Pakistan Cooperative Union,
31 Lower Mall,Lahore.
17. Dr.A.Rahim Choudhary,
Agricultural Adviser,
Agricultural Development Corporation
Lahore.
18. Mr.Riazudin Ahmed,
Farmer,
5 Tariq Cinema Road,
Lyallpur.
19. S.GulamHaider Shah,
Member,
Cooperative Development Board,
Lahore.

20. Mr.S.W.A.Gillani,
Registrar,
Cooperative Societies,
Multan Region,
Multan.
21. Mr.S.M.Z.Rizvi,
Rural Economist,
Academy for Village Development,
Peshawar.
22. Mr.Majid Hassan Khan,
Supdt.Engineer,
Agricultural Machinery,
Lyallpur.
23. Dr.Barkat Ali,
Professor of Agricultural Economics,
Agricultural University,
Lyallpur.

ICA STAFF

24. Dr.S.K.Saxena,
ICA Regional Officer,
6 Canning Road,
New Delhi.
25. Mr.Merian Radetzki,
Director,
ICA Education Centre,
6 Canning Road,
New Delhi.
26. Mr.J.M.Rana,
Dy.Director,
ICA Education Centre,
6 Canning Road,
New Delhi.
27. Mr.I.S.Gupta,
Office Secretary,
ICA Education Centre,
6 Canning Road,
New Delhi.

ICA Education Centre,
6-Canning Road,
New Delhi.
at Hotel Ambassador,
Lahore.

Co-operative Farming Workshop

Co-operative Farming Workshop

Inauguration Session Programme

(5th December, 1962)

Chairman: Mr. Riazuddin Ahmed.

1. Recitation from the Holy Quran.
2. Welcome by Mr. Riazuddin Ahmed, President,
West Pakistan Cooperative Union, Lahore.
3. Welcome by Miss G.F. Polley, General Secretary,
International Cooperative Alliance, London.
4. Statement about ICA activities by Dr. S.K. Saxena,
Regional Officer for South-East Asia, International
Cooperative Alliance, New Delhi.
5. Inaugural Address by Mr. Ahmad Nawaz Shah Gardezi,
Minister for Cooperation, Labour & Social Welfare,
Government of West Pakistan.
6. Vote of thanks by Mr. Marian Radetzki, Director,
ICA Education Centre, New Delhi.
7. Tea.

ICA Education Centre,
6 Canning Road,
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at Hotel Ambassador,
Lahore.

Cooperative Farming Workshop

Cooperative Farming Workshop

Social and Study Visits' Programme

December

6th, Thursday	Film Show in the evening at 5.30 p.m.
" "	Dinner by the Punjab Provincial Cooperative Bank Ltd. at Hotel Faletti's, Egerton Road, Lahore at 7.30 p.m.
8th, Saturday	Leave for Harappa in the morning and return in the evening.
9th, Sunday	Site seeing in Lahore: Shahi Mosque, Fort and Jhangir's Tomb.
" "	Reception at Shalimar Gardens by the West Pakistan Cooperative Union at 3.30 p.m.
15th, Saturday	Lunch by local institutions at Park Luxury Hotel.
16th, Sunday	Visit to the Agricultural Farm of Mr. Khalid Unar.
18th, Tuesday	Dinner by the ICA Education Centre.

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