

45

JAWAHARLAL NEHRU

ON

~~COOP 33 1/2~~ 45
CO-OPERATION

136

~~COOP - 43~~
~~COOP 33~~
2

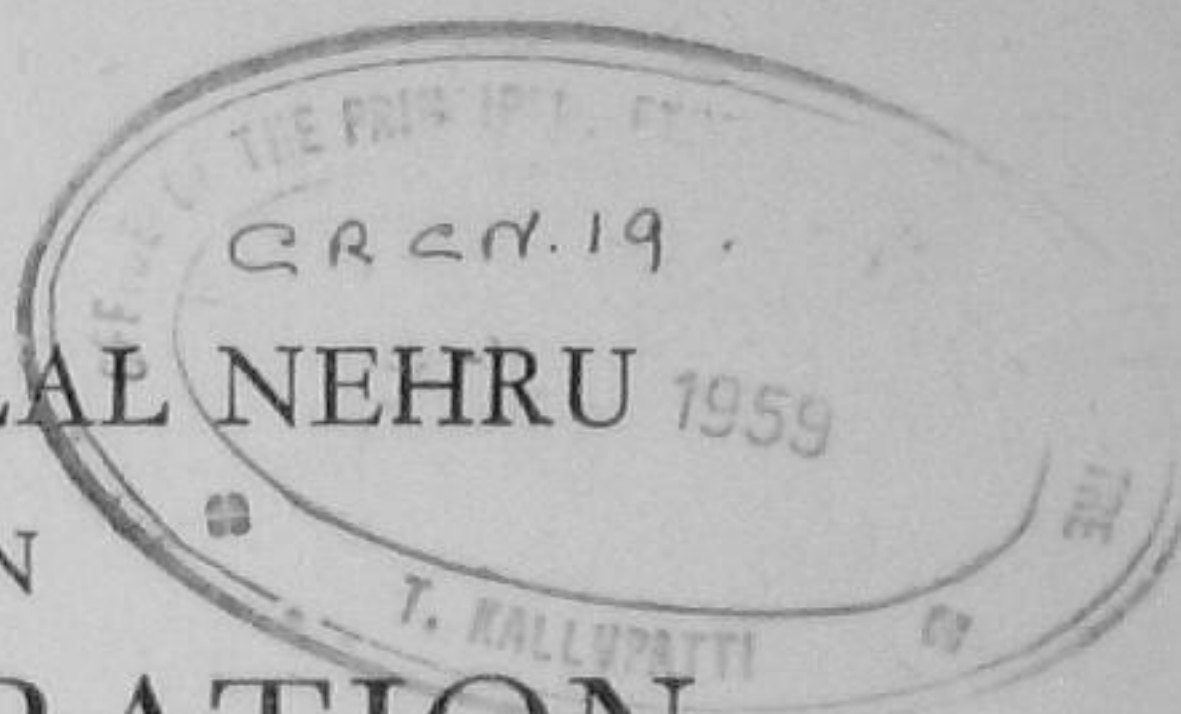
THE PUBLICATIONS DIVISION

GeI

4

JAW

JAWAHARLAL NEHRU 1959
ON
CO-OPERATION



~~Coop = 43~~

~~Coop 33~~
2

19.9, 13.7, 43

~~436~~

2156



334 605

Issued on behalf of
MINISTRY OF COMMUNITY DEVELOPMENT AND CO-OPERATION
GOVERNMENT OF INDIA

June 1959 (Jyaistha 1881)

PUBLISHED BY THE DIRECTOR, PUBLICATIONS DIVISION, MINISTRY
OF INFORMATION AND BROADCASTING, GOVERNMENT OF INDIA,
AND PRINTED AT THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

CONTENTS

	<i>Page</i>
I. THE IDEA AND THE APPROACH	5
II. "I HAVE FAITH IN VILLAGE PEOPLE"	13
III. WE HAVE TO GO FORWARD TOGETHER	15
IV. NEITHER SUDDEN NOR IMPOSED	16
V. IMMEDIATE OBJECTIVE : SERVICE CO-OPERATIVES	19
VI. "WE MEAN TO PROCEED BY CONSENT"	21
VII. KEEPING OUT PARTY POLITICS	26
VIII. THE BOGEY OF COLLECTIVISATION	27
IX. NEW PATTERN OF RURAL SOCIETY	31
X. FLEXIBLE APPROACH TO PROBLEMS	39

I. THE IDEA AND THE APPROACH

The whole idea behind the co-operative movement has appealed to me for a large number of years. Even though I was not personally connected with it, I was attracted by the philosophy underlying it, the social purpose, the way it seemed to steer between various extreme courses of action which I did not wholly approve of. For many years, we in India were engaged in the struggle for freedom. To begin with, it took the shape primarily of political freedom. But, even as it developed, it became obvious that political freedom by itself was not enough. It had to have a social content; it had to aim at economic freedom.

In the ideological sphere there have been great controversies, great movements, and I am not going into that question. But one thing seems to have been progressively accepted and admitted by large numbers of people: that a purely acquisitive society is not good enough under modern conditions. The State, therefore, begins to curb the purely acquisitive tendencies in society. Every modern State, whatever its broad economic policies, not only deals with matters positively, but also curbs purely acquisitive tendencies. It has tended to bring about equality of opportunity, not in an absolute sense but broadly speaking, to reduce the tremendous disparities which exist among various groups. Well, in doing so the State has naturally to intervene. Sometimes that intervention may have gone a little too far, according to the opinion of some people, and even invaded the freedom of the individual a bit too much. No individual has, of course, absolute freedom. But if we value individual freedom, as many of us do, how are we to find a balance between preserving that individual freedom and at the same time getting away from the clutches of an

acquisitive society? The co-operative movement seems to offer a philosophy, a method of approach, which would aim at this kind of social pattern.

Naturally, many of us are attracted to that idea. Many years ago—I should think about a quarter of a century ago or more—our great national organisation, the Indian National Congress, accepted for its objective the creed of a co-operative commonwealth for India. We were often asked what that meant and it was not particularly easy to define it. Of course, I could speak at length about the general purposes and the general ideas lying behind it, but to define it precisely was rather difficult. That did not mean that the idea was a weak one. In fact, it simply meant that the idea was not a rigid one that could easily be put within the four corners of a definition. It was, nevertheless, a good idea.

I have mentioned this to you just to indicate how our minds turned to this co-operative principle in visualising the organisation of the State itself, and this too not in the past few years but for some 20 or 30 years or even more. We came to that in our search for a social ideal that would satisfy various other urges that we had. The initial urge, of course, was the urge of political freedom. Another was of social advance and social equality, of equal opportunity for people, and of removing class and caste distinctions which came in the way of that equality. You will remember that this has always been basic to our movement, to our thinking and to our activity. And we have wanted to do all this by peaceful action. In fact, the words used were stronger: “by non-violent means”.

GROWTH OF CO-OPERATIVE IDEA

Many countries have developed various philosophies of action, and in many ways they are similar; but no other country has ever laid stress on peaceful action to achieve even revolutionary ends. As you know, under Mahatma Gandhi's inspiration we have endeavoured to do so, and with a large measure of success, in the political field and also to some extent in the social field. Now all those urges have gradually led us towards the co-operative way of functioning, through the co-operative movement till it embraces the entire country and

the life of the people. And that was why we made it part of Article 1 of the Congress constitution more than a quarter of a century ago. Then came independence, and our Constituent Assembly framed a Constitution for our country. The Constitution does not use the phrase "co-operative commonwealth", because, I suppose, it was all too vague for an enactment of that kind. However, in the Directive Principles of State Policy, and in the Preamble to the Constitution is laid down what we aim at in the realm of social policy. The aim is sought to be realised by introducing the co-operative method in our various activities.

Indeed, I do not quite see how else we can function satisfactorily. On the one hand we have to develop our heavy industry, big industry, because there can be no industrialisation unless we have that heavy base. We are determined to bring about an industrial revolution in this country. We are determined in the course of this present generation to achieve what other countries have done during a much longer period of time. Also, we are determined to have a bigger revolution, this atomic revolution, the revolution of the atomic age. We are further determined, at any rate we hope, to bring this about in our own way, in our own peaceful, democratic way, keeping alive some of the ideals that have moved the Indian people for ages past. I am not referring to their out-of-date customs. I am not referring to the many evil things that have grown round us through these hundreds and thousands of years, but to some basic ideals which have, I believe, been evident for long periods in our history.

Now in regard to big industry, the basic industries, we are aiming at State control. But what about the small industries, the household industries, the cottage industries? What about land itself? We do not want the State to control them. We are in the modern world. If you have too small units, whether they are cottage, household or small industries or a small patch of land, you cannot reap the full benefits of modern science. You remain backward. What is the choice for us? Is the State to swallow everything? Talking of land, you cannot have large farms under private owners. Obviously not. What is the choice? There is no escape from the way of co-operation. Thus alone you avoid large-scale ownership

by individuals or groups, without sacrificing the advantages of large units so essential for the application of modern science and technology. The co-operative thus fills the gap between small units and modern technology. It has become as important as it was in the past. In fact it has become ever so much more important in the present-day India, for we are now advancing consciously, deliberately, towards a set goal.

A WRONG APPROACH

Now, as a live and dynamic movement, it has its problems, of course. Your president referred to them—to State interference or State association with this movement. In your annual report there is a reference to important decisions taken about three years ago when the Rural Credit Survey Committee was appointed. In its report to the Government, the Committee referred to the co-operative movement and asked for far greater association of the State with that movement financially and otherwise so as to vitalise it. Subsequently, the proposals of the Rural Credit Survey Committee in this respect were broadly accepted by our Government and these are being progressively given effect to. Now, I want to make a confession to you: I think that our Government was not quite right in accepting some of the decisions of the Rural Credit Survey Committee. I am sorry for it. I am responsible for it as much as anyone else. The more I have thought about it, the more I have realised that the approach of the Rural Credit Survey Committee in some respects was not a sound one and it tended to push the co-operative movement in this country in a wrong direction.

What was this wrong direction? There was a tendency on the part of that Committee to distrust our people, to think that they were not competent enough, that they could not do a job by themselves; therefore Government officials must come in to help. Government money should push them up. If Government money comes, that money is followed by Government officials. Because the small co-operative has not enough resources in money or competent technical personnel, there should be large co-operatives, which can be started and helped by the Government. Now I believe that the approach—it may be argued that there is some reason behind it—was a

wrong one, and it has given a wrong turn to our co-operative movement. Ever since I realised this, I have been trying to point this out, and here, on this occasion, I should like to say that the approach, even though it might bring some results locally and temporarily, pushes the co-operative movement in a direction which is not co-operative at all and which offends against the philosophy which has grown round this movement. If it is to be a State-sponsored movement, with Government officials running it, it may do some good—if the government officials are competent—but it does infinite harm in the sense that it provides few opportunities for the people to learn to do things for themselves, to develop a spirit of self-reliance, self-dependence, and even to make mistakes if they want to make mistakes.

SIZE OF CO-OPERATIVES

Another question is about the size of the co-operatives. There is a tendency which, I believe, received encouragement from the reasoning of the Rural Credit Survey Committee's report, to put an end to the small co-operatives and establish bigger ones. The argument is that big co-operatives with larger resources can employ trained personnel and can, therefore, do much better work. Again, I agree that there is something in that argument but in achieving these temporary results, possibly permanent harm will be done. Such an approach comes in the way of the very development of that spirit of self-dependence, self-reliance, of co-operating with one another, and will encourage something which, I believe, is completely wrong and which is so prevalent in this country: looking up to the Government for everything.

You know that I am a part of this Government. Even so, I feel that any policy which encourages people to look up to the Government for help at every stage is undesirable, because the one thing that we want in India is this spirit of self-reliance, self-dependence. Of course, the Government must help, but it is one thing to help and quite another to boss; and inevitably this tendency to boss is there not so much at the top levels as the lower ones. The lower you go, the petty official becomes not the petty boss but a big one. Therefore, I would like to say quite definitely that this tendency which

was encouraged by the Rural Credit Survey Committee Report—which we as Government unfortunately adopted as it was a bad tendency. We should try to get over it as quickly as we can and aim at small co-operatives without official interference. Where help is necessary it should be given.

WHY SMALL CO-OPERATIVES?

Why a small co-operative? Well, for many reasons. The bigger it becomes, the lesser people know one another in it. Eventually, it ceases to be an organisation where people know one another intimately and can co-operate with one another. Of course, at higher levels it matters little if people do not know one another, but at the village level it is far easier to trust one another and to work together. Therefore, I believe in small co-operatives, more or less the village co-operative. It may even cover two or three nearby villages. To have the advantages of bigger associations they can be linked up over a larger area. You can have that too, but the basic unit should be the small one.

I have said often and I would like to repeat here that the three pillars of India right at the base should be the village panchayat, the village co-operative and the village school. It is on these that the whole structure of India politically, economically and socially should be built up. We think naturally in terms of big things at the top—Parliament at the top as a sovereign body laying down the law and otherwise controlling the destinies of India. But Parliament is important only if the base from which it draws its strength is strong. You cannot have a parliament floating in thin air without a strong foundation, which in the India of today inevitably lies in the village. Therefore, the importance of the village panchayat, the village co-operative and the village school.

CO-OPERATIVE FARMING

There has been an argument, I believe, about co-operative farming. Well, first of all, when we talk about the co-operative movement, obviously we do not talk just about credit societies. That is only a minor part of a co-operative movement, a helpful part, but not an important one. Philosophically, it is not important. Certainly you must have credit

societies, but we want co-operative work to grow in many ways, in as many ways as possible; otherwise you cannot take advantage of modern technology. Small units in land and cottage industry lack the resources for development. They must function together, otherwise they cannot make much progress. Therefore, co-operation should spread in every possible direction. among small owners of land, in cottage industry, producers' co-operatives, consumers' co-operatives, and so forth. Finally come the co-operatives doing joint farming.

Sometimes the argument is advanced: "Oh, if you have joint farming, this is communism". To this one feels like replying: "Whatever that be, the gentleman who uses that argument lacks much capacity for thinking, lacks intelligence". Let us make up our minds that if it is a good thing, we will have it by whatever name it may be called. Discuss the thing on merits. But it is quite absurd to say, "Oh, this is anti-communism or this is communism, therefore we will not have it". This is cold war and we will not have, I hope, a cold war in discussing any problems, economic or political, national or international. Also, remember that whatever step we take, in regard to co-operation or anything else, has to be in the democratic context, that is, it has to get the goodwill of the people. We cannot force them. If we do so our Government would go the next day, unless the whole regime is changed, unless the whole system of government is changed—and we certainly have no idea and no desire to change the regime or the system of government. Therefore, whatever is done has to be done with the goodwill of the people, with their willing consent.

Considering it on that basis, I have no doubt in my mind that co-operative farming is desirable in a large number of cases. For the moment, I do not say "in every case", because conditions differ. It may be, for instance, that the raising of paddy requires one type of farming, raising of wheat another. Leaving that out, where you have tiny patches of land, it seems to me of great advantage that those patches are treated together. Even though they are owned separately, they should be treated together. Thus alone can a great deal of waste be avoided and progress made in a hundred ways. I need not go into that because it is easy to realise it.

We have to increase the scope of co-operation in agriculture tremendously. It is limited today, and the last step will no doubt be co-operative or joint farming, with the consent of the people. We can have and we should have State farms as examples, or models where this kind of thing is done, to convince the people how good it is and so that we may and they may learn. I am not a farmer. I can only speak theoretically, if I may say so. Thinking about it and discussing it with people, I am driven to the conclusion that in the prevailing conditions we have to move towards co-operative farming in the greater part of India.

In India we are absorbed and engrossed in tremendous work which may help achieve the Second Plan. Of course, the Second Five-Year Plan is only a short step in a long ascent. We have to go up and up, step by step. It is a tremendous task because we want to telescope decades of endeavour and hard work in a much shorter period and we have to work along democratic lines. Well, we are trying and we shall continue to do our best.

Meanwhile other things are happening. Technology is changing with amazing speed. Science is bringing new powers to us with extraordinary speed. To some extent, we have to keep abreast of those things. Take even agriculture. Consider how some form of atomic energy—isotopes—is being put to use in agriculture. It is making all the difference to production. Obviously, we have to get out of our grooves. You cannot do so if you leave the poor individual farmer to his own resources. What can he do? You have, therefore, to rely on some movement, more so because we have no use for big *zamindars* and *talukdars* and all that. We have largely put an end of them. The only way open to us is, therefore, the co-operative movement. Through co-operation alone can the individual, the small individual, keep his individuality intact, his freedom intact, and yet function in a big way and take advantage of science and technology.

Now a word more. You know of the development of our community movement, the community blocks and the national extension service. It is quite easy and quite legitimately possible to criticise it as not having come up to the mark in many places. Nevertheless, it is one of the most remarkable

movements, not only in India. In the past five years, or a little more, what it has done in India is, I believe, rather surprising. I repeat, it is full of weaknesses and all that, naturally. But the future of India, especially of rural India, is going to be very largely influenced, as it is being influenced, by this movement. Now, I want the co-operative movement to become bigger and bigger, and, therefore, I want a close understanding between the co-operative movement and these community development schemes and blocks. What form this close understanding should take I do not quite know myself. But these two vital movements in India, building from below, have to work hand in hand.

II. "I HAVE FAITH IN VILLAGE PEOPLE"

I will tell you how some of us have been feeling about this matter of agrarian reform. We have considered various approaches separately, the question of ceiling and the question of co-operatives, but we are beginning to feel that the two are intimately connected. If you had large farms in India, as in some countries, one can conceive—you may agree with it or not—of their functioning efficiently, producing a lot and being able to develop modern techniques. The basic problem of India is the very small holding, normally I would say of one, two or three acres. With their small holdings all that the farmers can do is to carry on without making much progress in the application of modern techniques. Now, the imposition of ceiling is likely to cut up some of the big farms as it should, as it is meant to. If you want progress and the introduction of modern techniques, then these infinite number of small farms should be worked co-operatively, so that they get the benefits of modern techniques.

When I say "work co-operatively", it means co-operation

Press Conference, New Delhi, November 7, 1958

of many kinds. We think the first step should be co-operatives, not merely for credit—that is there of course—but for all kinds of services, for buying and selling things, seeds, fertilizers and the like. The next step is gradual removal of the middle man. Then comes the next stage, which may be called joint cultivation, though property rights remain. That is the approach, so that the problem of ceiling is more and more tied up with the question of co-operatives; otherwise there is the danger of production going down. It is a complicated problem and it is being considered.

May I say, when I talk about a co-operative, I mean a village co-operative and nothing bigger; at the most two or three villages if they are nearby. All our thinking now is based on the panchayat and the village co-operative and giving them power and authority to take decisions, and also to make mistakes, as they might. We take the risk. It is better to do that than to hedge their authority and make them feel helpless. Speaking for myself, I have a good deal of faith in the innate good sense of the village people. They will no doubt make mistakes. It does not matter. All of us make mistakes. But if you give them that feeling, they gain self-confidence; they gain initiative and they do things and not wait for officials to do them.

I repeat that the co-operative we conceive of is a small one so that there is intimacy among its members, knowledge of one another. It is not an impersonal thing. If the members of a co-operative know who is bad and who is good in their village, there is probably a greater chance of its success than through some complicated processes of the law or some superior officers who know nothing about local conditions.

Normally speaking, there is not much party politics in village panchayats or co-operatives and I do not think it should be encouraged. They stand on a separate footing. In corporations and municipalities in big cities, party politics come in. But the problems of the panchayat almost entirely cut across party barriers.

There are only two ways of increasing production: through the efficient big landlord or through efficient peasants working in co-operatives. The former is, relatively speaking, oppressive to the peasantry. Therefore, we are driven to the

second alternative. We have to consider not only food production but human advancement. You cannot, in raising food production, forget the human factor. Indeed, if you forget the human factor, ultimately food production comes down. That is why in every country, including capitalist countries, the landlord has been more or less eliminated, as in Japan. The U.S. Government encouraged the Japanese to put an end to the landlord system. Nobody can describe the United States Government as socialist. I am afraid some of our people have not quite understood this modern approach.

III. WE HAVE TO GO FORWARD TOGETHER

We have to remember the proportion of land to the population in India. A great deal depends upon this proportion. By and large, the average holding in India is pitifully small. If you divided the land among all the people who wanted it, the holding would be even smaller. In this extremely small holding, apart from its being often uneconomic, you cannot expect any progressive methods being employed. What are we to do? It seems to me that the only hope lies in co-operative effort, with the State helping, no doubt. But, again, I am anxious to root out this habit of many of our people, ingrained during British times, of relying on someone to do things for them. I am anxious that the co-operative should be a peasants' co-operative, not a State co-operative imposed on the peasant and run by officials. I do not want State officials. I have too much to do with officials to want to see them cover the whole land with State apparatus and thus reduce the initiative of the peasant. I believe the only way out is to develop a sense of co-operation among our peasantry, for real co-operation alone will lead to what are called small co-operatives, each covering a village, or two to three small villages together. The point is that the members of the co-operative should be more or less known to one another.

Some people argue that a small co-operative has meagre resources. This is true, and the only way is to join up a number of small co-operatives into bigger federations or call them what you will, and give expert advice and assistance. As you know, any problem involving human beings is difficult. When large numbers of human beings are involved, it becomes even more difficult. In agriculture, we have to deal not only with men and women but with animals and plants; and some balance has to be maintained among them. A little imbalance upsets the whole structure and the planning goes to pieces.

All these difficulties which are there are dealt with, no doubt, and they are got over. But the progress becomes slower than one has thought; and sometimes a bit of frustration comes in. Why cannot we go ahead faster? But then one remembers that we are on the march. We are not marching by ourselves, as individuals or small groups. We are a large brotherhood of 360 million people on the march; and we have all to go forward together and we cannot run away from one another; and we have all to help one another in this process. I do believe that the initial difficulty having been got over, the pace will become faster, because, as I have said often, I have tremendous faith in the innate good sense and intelligence of our people and of our peasants.

IV. NEITHER SUDDEN NOR IMPOSED

The Nagpur Congress adopted two resolutions: one about planning, the Third Five-Year Plan, etc., and another about agriculture and land reforms. Many months previously, the All-India Congress Committee met and appointed special committees, one on planning and the other on agriculture and allied matters. Both of them were high-level committees.

Press Conference, New Delhi, February 7, 1959

A They met day after day; they co-opted or invited eminent people outside the Congress—economists and others—and they gave very full consideration to every point of view. This consideration was the culmination of numerous discussions, talks, questionnaires issued by the Congress organisation and the replies to them. For the past two or three years we have been discussing these matters, about agriculture, land reforms and ceilings.

Take for example the question of ceilings. It has been discussed year after year so that there was nothing suddenly sprung on the Nagpur Congress. It was discussed, as I said, for years in the Congress Committee meetings. Then we appointed two special committees which reported to this Nagpur Session of the Congress. The report has been published. That is how the matter came up and we discussed it at considerable length in our other committees—the Working Committee and the Subjects Committee—and adopted their recommendations in the main.

For anyone to suggest that I imposed anything, properly or improperly, on others is hardly fair or in consonance with the facts. It is true that I wholly agree with what the Congress has said. I agree, if I may say so, with passionate conviction. I say with passion because I believe in the progress of India with passion. I am not a politician. I want to do something in India, to change India within the few years left to me, to change the peasant in India, to change agriculture, economy and the rest. I may go wrong—as I do often—but it is my intense desire to reach a certain goal. The other day a book, *A Bunch of Old Letters*, came out and I would invite your attention to the view I have held, the policies I have upheld, for the past 30 or 40 years. I do not say it is a great virtue to keep on repeating the same thing. The world changes and people should change their opinions or views and grow with the world, but I merely referred to this to say that I have felt this way these many years. I have been pressing my views upon the Congress in various ways all these years. Sometimes Gandhiji did not approve of what I said. He said: "You go too fast."

So what the Congress has done is the natural development of thinking for the last 20 years. Whether it is right or

wrong we can consider later, but it has been discussed *ad infinitum*.

As for co-operation—I am not for the moment referring to joint cultivation as that is a separate issue—that has been the basis of the Congress approach. We talked about “the co-operative commonwealth” in our constitution. We talk about co-operation in industry. We have always talked about that. What we have decided at the Nagpur Congress is that there should be service co-operatives all over the country within three years—service co-operatives, please note, not joint cultivation at this stage; that is to say, people keeping their separate holdings, cultivating them separately, but meeting together in the village co-operatives for various other economic purposes. I do submit that nobody in the wide world can disagree with this proposition, unless he is quite completely out of touch with the modern world. It is an obvious proposition which cannot be challenged, more especially in a country like India where you have small holdings. If you leave those small, separate holdings as they are, without a co-operative link, you condemn them for ever to poverty and stagnation. They will never grow out of it. With hard work, with improved seeds and all that, they may improve their lot a little, but they will never rise above the subsistence level, never really improve themselves. This is not a prospect which one likes. We have to break through it. And for breaking through it, there are many things to be done. The industrial approach and all these five-year plans are meant for that, to draw away more people from the land to industries. When I say industry, I mean the big industries, the small industries and cottage industries. But in the sphere of land, the small holdings can only function if the element of service co-operatives comes in, for selling seeds, manures and machines, etc. Thus alone can the cultivator take advantage of improvements and modern techniques.

That is what the Congress has said: service co-operatives. That is step one. It is further said that our objective is, later, joint farming, with the consent and with the approval of those concerned. Thus, broadly speaking, we are concentrating for three years on service co-operatives. If, during this period, any

C.F. 5/2

person or any co-operative wants to establish joint farming, it is up to them to do so. There is no compulsion. But, speaking for myself, I am convinced that joint cultivation, more specially in the circumstances of India, is a desirable and profitable thing for those concerned.

So, what the Congress has decided is to accept the idea of the village co-operative which, remember, the Planning Commission has been urging for a year or two. The only additional thing it has said is that we aim at joint farming ultimately, with consent.

There is no special legislation. All we have suggested is that the existing laws should be broadened, to make it easy for co-operatives to be formed. Of course, all obstructions and restrictions in the way of co-operation should be removed. For instance, at present, only those having some property or resources are taken in co-operatives. It is all wrong. We want to include every villager in the co-operative, whether he has resources or not. Unless we do so, only those who have can function; others, who have not, will not have a chance to go ahead.

V. IMMEDIATE OBJECTIVE: SERVICE CO-OPERATIVE

Nothing can be more important than the food situation in the country. It is obvious. I shall not say much about it except to assure the House that our Government is very far from being complacent about the food problem at any time. It is too vital a matter, and only those who are completely oblivious of what happens all around can be complacent. That does not mean that we cannot or we have not erred occasionally in regard to this or the arrangements we have made. But as the House knows very well, we have had to face three bad years and we are just beginning to turn the corner with the good rice crop we have and the good wheat crop of the coming

season. We have come to some rather important decisions in regard to State trading and some other problems such as co-operatives which I think are intimately connected, ultimately, with the food problem and with the business of distribution.

STATE TRADING IN FOOD

When we said we were going in for State trading in the wholesale trade, we were completely earnest about it and we are going to pursue it to the end. But while we came to this decision, we had no real apparatus for it. Therefore, inevitably, we had to go in for licensing and authorising some of the old wholesale dealers to act on behalf of the State. That is not a very satisfactory arrangement. We cannot easily control all these wholesale dealers. And, secondly, it is obvious that they do not like this change in our policy. When you make an individual or a group responsible for carrying out a policy which is not to his or its interest, difficulties arise, undoubtedly. But there is no alternative open to us at this stage. If we develop our co-operative organization, as we hope to do, then these difficulties would diminish and ultimately fade away completely. And so, from this point of view, apart from others also, it is essential that we should develop our co-operatives in villages and elsewhere.

JOINT CULTIVATION

There has been an argument—I may refer to it although, I believe, it has not been raised here—about joint cultivation. Now, what we have said is, we call for service co-operatives in every village in India and unions of co-operatives above them. And we have said that our objective is joint cultivation, which we hope to achieve with the approval and consent of the farmers. We will concentrate on service co-operatives, for obvious reasons, practical as well as other. We are convinced that in the situation in India at present, with small holdings, it is essential to have larger units so that they can take advantage of modern techniques, implements and resources. Therefore, personally I am convinced that this is the right course. We can never make substantial progress in farming if our units are small, and we can only have big units by having big landlords or through co-operatives. When we rule out the big landlords,

we are inevitably driven to co-operation. We hope that as these service co-operatives spread out all over the country and joint cultivation also takes place here and there, the example and the results that flow from it will be the greatest arguments in favour of joint cultivation. In fact, honourable Members might be surprised to know that even now there are many hundreds and possibly more than a thousand or nearly two thousand joint-cultivation farms in India. I have no figures to show the success they have attained, but some of them, I know, have succeeded very well. In fact, the farmers have come and told me about this.

VI. "WE MEAN TO PROCEED BY CONSENT"

Why did the honourable Member, Shri Masani, get rather worked up? Because of certain resolutions passed at the Nagpur session of the Congress, among them being one on land reform and co-operatives? There, in those resolutions, it was said that our aim and objective was joint farming, that we should aim at that; but for the present, for the next three years, we should concentrate on service co-operatives. It was further emphasised that co-operation must in the very nature of things be voluntary and if joint farming came it would be with the consent of the people concerned. Shri Masani in his speech stated that he had always been in favour of the co-operative principle, but the way it had been mentioned in the Congress resolution had nothing to do with co-operation because the moment the idea of joint farming came in, it was not co-operation. Further, he said that, if there was joint farming at any stage, it must necessarily lead to collectivism. That is his argument. Collectivism then leads to that horrible state of affairs which, according to him, exists in Russia and China and elsewhere. Therefore, this is the slippery path which leads down to the lowest depth. This is the argument; I hope I have put it correctly.

Speech in Lok Sabha, February 19, 1959

The argument presumes so many things which do not exist that it is a little difficult to answer it. He starts with the assumption that where there is joint farming, it ceases to be co-operation. I have heard of many criticisms of joint farming, but this is the first time I have heard this principle enunciated. Then, if there is joint farming, he says that it must lead necessarily to collective farming. This also seems to be rather an odd statement to make. Speaking for myself, I do not, broadly speaking, accept collective farming. But I do believe in co-operation and I do, firmly and absolutely, believe in the rightness of joint cultivation. Let there be no doubt. I do not wish to hide my own beliefs in this matter. I shall go from field to field and from peasant to peasant begging them to agree to it. If they do not agree, I cannot put it in operation. That is a different matter. It is for them to agree. I am not saying that in this or any other problem any common principle can be applied to every country in the world. We may have some general principles of approach, but each country's facts and conditions have to be judged as they are; and something else from another country should not be imposed which may not fit in. If I suggest something for the peasantry of India, it is because I think that in the conditions of India that thing is desirable and profitable. I cannot say in this changing world what I may think or others may think a few years later, because we live in a period of rapid change.

Shri Masani said that he objects to anything being done to change the traditional way of doing things. He said that he wanted the traditional way of family farming, individual farming, to continue. Now, I am not against tradition as such, but I think that the one thing we want in India is to get away from tradition as much as possible. We have had enough of tradition and we have become in some ways traditionalists, fundamentalists and all that. And I must say, however much I may differ from Shri Masani, I do not think he is a fundamentalist and a traditionalist in that sense.

WILLING ASSENT OF PEOPLE

So, let us consider this question on merits, realising that whatever we have to do in the sphere of co-operation must come from the willing assent of the people concerned; otherwise, I

agree with Shri Masani, it is not co-operation, it is something else. If this is agreed to, then most of the argument that Shri Masani advanced falls to the ground.

He also stated with great vigour that nowhere in the world has this kind of farming yielded results. Here, again, I think that it is very unsafe to make these general statements. I can give him instances where it has been known to be a success. He gave examples. He told us what had happened in Yugoslavia and Poland. The examples given were of failures in collective farming. He combined two quite different things. He gave the example of one and applied it to the other. That is a curious way of argument. Firstly, he says that joint farming of the kind we have suggested is collective farming, and then he says that collective farming has failed somewhere, and therefore joint farming will fail here. This indicates confusion in his mind.

I am not judging Yugoslavia or Poland or the Soviet Union or China. I do not like many things that happen in other countries; I like other things. Sometimes in the context of problems one expresses one's opinion, but I am always reluctant to do so, because, unless a high principle is at stake, I honestly do not consider myself competent to judge other countries. I do not know all the facts and circumstances and the context, and to judge by some odd facts that appear in newspapers or in a report is not enough. I do not want people in other countries also to fall into the trap of judging my country by some odd facts or reports. Therefore, I cannot say whether Yugoslavia, Poland, the Soviet Union or China are acting rightly or not. They know best.

THE SITUATION IN INDIA

But in India we have to deal with a specific situation. Here the average holding is very small. The average for India is—I am not certain—one acre, may be two. Certainly, quite a large number of people do not even have one acre of land. What are you to do in this situation? It would be a completely different proposition if the average holding here were, let us say, 20 acres or 50. That would make us think differently.

I am not enamoured of joint farming or anything merely for the name of it. But if a person has a holding of one acre or so, as most people have in India, what can he do with that? Of course, he can improve it, if as Shri Masani has told us, we give him better seeds, water, fertilizers and better tools. Certainly, gradually we can give him all these, and in any event he ought to be given these things. But having given all these, what then? There are certain improvements in the land which we can profit by, if we had large pieces to cultivate. A one-acre holding will always keep its owner in semi-starvation. In a good season he may get a little more to eat, but again he relapses. Of course, we have at the present moment too many people on the land and they must be transferred to other occupations, namely, industry, whether it is big industry, middle industry or cottage industry. The burden on land has to be lessened. That is true, and everything has to be done that helps greater production. But I do submit that, whether it is from the point of view of a theoretical approach or otherwise, in the present-day conditions in India, joint farming is the right objective to aim at.

I say again definitely that we mean to proceed by consent, not otherwise; and, apart from the theoretical view, if you examine the question from the practical point of view you will reach the same conclusion. I know very well that peasants are conservative, and they do not easily change their habits even if I want them to change. I will have to put examples of success before them, not a speech. If I tell them that their neighbour is succeeding in this, that will convince them more than anything else. So, ultimately this question lies in the hands of the farmers of India, not in my hands or Shri Masani's hands. I will only do my best to convince them of a certain course of action.

GIVE THEM FULL TIME

In the meanwhile, when we say that for the next three years we should concentrate on service co-operatives, that itself indicates that we are not proceeding hurriedly. Give them full time. They must have service co-operatives first. No Act is going to be passed by Parliament. If they themselves

want a change, who can prevent them? Indeed, I ask you, who can prevent a co-operative society today from deciding in favour of joint cultivation? No one can prevent it. There is no question of coercion. There is no question of a new law. Society itself decides to do certain things.

PRESENT POSITION OF CO-OPERATIVES

I should just like to give a few facts about the present position of co-operatives. In regard to the small village co-operative societies, here are a few facts. At the end of 1950-51, the number of these societies was 116,000. At the end of 1956-57, the number was 159,000. At the end of 1958-59, the number was 179,000. These are the village ones, not the big ones. The membership of village co-operatives was, in 1950-51, 51½ lakhs; in 1956-57, 91 lakhs; in 1957-58, 110 lakhs; for 1958-59, the estimate is 138 lakhs.

To come to the large-sized co-operatives, at the end of 1956-57, there were 1,915; in 1957-58, 4,529 and in 1958-59, 6,318.

Honourable Members may like to know the amount of rural credit that was given by these co-operatives. I might mention that 80 per cent of this was given by the village co-operatives. The big ones gave only 20 per cent. In 1950-51, it was Rs. 22·9 crores; in 1955-56, it was Rs. 49·62 crores; in 1956-57, Rs. 63·3 crores; in 1957-58, Rs. 96 crores and in 1958-59, Rs. 130 crores. All this indicates a solid advance of co-operative societies, more especially of small co-operatives.

Coming to joint co-operative farming, there were 2,000 co-operative farming societies in India at the end of 1957-58. But I would like to add that this term 'co-operative farming' has been used somewhat loosely. Sometimes, the land is held by the society, the ownership is of the society, and yet cultivation is carried on individually. If this type of farming society is excluded, the number of joint and collective farming societies, where cultivation is undertaken jointly, is 1,357, consisting of 966 joint farming societies and 391 collective farming societies.

I do not say that all these 1,300 odd societies are very good or very successful or models of joint farming. But in every State, there are examples of successful joint farming societies. They have risen in the last two or three years, not because of any pressure from anybody, but because for various reasons the

farmers have decided to do so. There is a report of the Programme Evaluation Organization of the Planning Commission, *Studies in Co-operative Farming*, issued two and a half years ago. In this report all these societies are separately evaluated. Further studies are being organised now by the Planning Commission.

There is another question about which some doubt has been raised by some people. There has been some criticism about the ceilings on land. This question has been under discussion not in this House, but outside, and certainly in the Congress organisation for a number of years and in the Planning Commission. Honourable Members know that the Planning Commission has repeatedly recommended it. In fact, some States have already taken action on it.

The point that I would like to make is that these decisions, whether about co-operative farming or ceilings, were not taken suddenly. These problems were discussed and argued for years. In fact, we have been criticised and perhaps rightly criticised for being too slow. Anyhow, they have been considered; special committees were appointed, consisting of members of the Congress and eminent economists from outside. These committees made recommendations which were again discussed. So, the decisions arrived at were preceded by a great deal of discussion and consideration of each aspect of the question.

VII. KEEPING OUT PARTY POLITICS

Any group, party or individual is welcome to work for the agrarian policy laid down by the Congress. We go by policies, not by individuals or groups. Naturally, the working out of this policy lies chiefly in the villages or lower down, where we do not want party politics to come in. It confuses the poor villager.

Press Conference, New Delhi, March 6, 1959

Our present programme, broadly speaking, is ceiling on land and village co-operatives, service co-operatives; later we aim at co-operative farming on a village scale. We welcome all co-operation in that.

What are the organisations that function in the village? There is the panchayat. There is, or should be, the village co-operative. There is the community development block. Those are the major organisations at that level. We do not want any parties to function in any of these organisations as parties. There the door is open for the fullest co-operation, and, of course, higher up too—the community block's Advisory Committees and above the block stage also.

VIII. THE BOGEY OF COLLECTIVISATION

We had recently decided on the objective of co-operative farming, as soon as people desire it; have decided about ceilings on land; have taken decisions on wholesale trading in food-grains. And you have said there has been a fair amount of vocal opposition to it. I have been interested in that opposition because it has displayed 5 per cent reasoned approach and 95 per cent passion. Its words are full of passion, anger. I thought, when I read some of these diatribes, that there is no passion like the passion of vested interest which is afraid.

It has been quite an extraordinary educational experience, for me at least, may be for others, the way these objectives have been dealt with by some people. Certainly there are two sides to a question. But apart from that, exactly what is this thing 'co-operation'? Is it a terrible revolution, a revolutionary word which has disturbed some people's minds so much? I was under the impression that one of the universally accepted things in the world today was the co-operative principle. There could be no doubt about it. Even in India, backward as we are, we have made fair progress in co-operation.

Inaugural speech at annual session of the Federation of Indian Chambers of Commerce and Industry, New Delhi, March 7, 1959

You suggested in your address, "Let us have pilot schemes of co-operation". I wondered what you meant, and if you had cared to see what had already been done in India. The other day I gave some figures in Parliament, and I would invite your attention to what has already been done without any major effort. It is quite substantial, though not enough. It is true that in the old days co-operatives were chiefly credit co-operatives, and now we talk of them as service multi-purpose co-operatives.

You will be surprised to know that there are already hundreds of co-operative farming societies in India, established without any effort on the part of the Government. People have formed them, farmers have formed them. And yet co-operation is talked about as if it were some dangerous novelty, the touch of which might drive us to that terrible thing, collectivisation, which itself is a symbol of a still more terrible thing—communism.

ANTI-ISM

Well, that is not the way we think, and I should like to make it perfectly clear that we are not against communism and we are not against capitalism. I object to that approach and, constituted as I am, if anybody brings up such things to me, he drives me in the very direction he wants to prevent me from going. That is the normal reaction of a vital human being. I cannot understand in our politics this business of "anti-ism" which is so prevalent in the world today.

People say there is great rivalry in Asia, great competition between India and China. I have no sense of rivalry or competition with China. Possibly—I do not know—our objectives are not quite the same. Partly they are the same—raising the standards of living. Partly, I think, they are different. Anyhow, I have no sense of rivalry. Others are welcome to do what they like in their country. It is none of my business. If I can learn from them, I shall learn from them. I propose to do what our people like in our country, and if anyone wants to learn from us, our doors are open.

This entire approach of being against this country or of rivalry with that country is a bad one. I consider it bad from the international point of view and bad from the national point

of view. As for somebody telling me that co-operative farming will lead to collectivisation, and therefore to communism, well, if it does, I am not frightened. I do not understand words being hurled about like this in order to frighten people.

I do not approve of collectivisation. I do not think, as far as I can see, that it is suited to or is likely to suit our country. We are not going to work for it. But even in India there are a few collective farms. It is a big country with great variety and we allow all these things to happen. No government apparatus has exercised coercion. Some farmers have been keen on it.

Anyhow, our objective is co-operative farms and it suits the conditions as they exist in India—the conditions being the existence of small holdings. I do not venture to advise other countries as to what they should do. That depends on their conditions, their economic advance and the complex of things which condition them. We have to deal, you and I, with conditions in India.

SMALL HOLDINGS

In India the holdings are extremely small. The average holding is about an acre or a little more. What are you to do with that? How are our farmers ever to advance? It does not matter how much you help them with better seeds and better fertilizers and the like. They will make some progress undoubtedly, but they will never get out of the rut of poverty; and I am not prepared to envisage a future in which this vast agricultural population remains ever on the verge of subsistence. I would rather have a million revolutions in India.

Let us remember this basic fact and not be threatened by all kinds of bogeys. The biggest thing and the most frightening thing is the poverty of India and the hundreds of millions who suffer from it. In every effort we make, in whatever domain, we have to keep that in view. We realise we cannot do away with poverty quickly, suddenly. It will take us generations to end it, but we must march in that direction.

Of course there are too many people on the land. The burden on the land should decrease and people have to be diverted to industries—big industry, medium industry, small

industry, cottage industry, all kinds of industries. I think this can be done and it will be done, and the process need not be very slow.

NO COMPULSION

For the rest, land must be worked in the co-operative way. We do not say that you must start co-operative farming immediately. Nothing of the kind. We have said that we should have service co-operatives all over India. We have suggested that this should be done in three years. We have about 550,000 villages, big and small. Presumably that would mean about 200,000 co-operatives, because some of the villages are very small. It is not a terrible figure to contemplate. When these service co-operatives are functioning it will be open to the people to take up co-operative farming. We do not want to enact legislation, we do not want compulsion. Let the people decide for themselves, or may be that we go and try to induce them to decide for themselves. That is a different matter; that is our right and certainly we propose to do that.

Why then this shouting all over, as if something has gone so wrong that it might hit the people? I do not understand it. Have we lost the capacity for reasoning and thought because we are afraid that somebody may tread on our toe or on our vested interest which is more tender than our toe? The vested interests progressively will have no place in the world. Any vested interest which comes in the way of a fellow-man will have still less place in the world. Nobody wants to attack anyone's interests; it should, however, be realised that in India the differences in wealth today are big; the examples of conspicuous spending are painful when we see the differences in the spending capacity of the people. How can any country, much less a politically democratic country, tolerate all that? Hence the need for these things: the ceiling on land or the State trading in foodgrains.

Ceiling on land is a common enough reform. I might discuss this question of co-operative farming. It is a fact that collective farming takes place in diverse countries. I think it is practical on a fair scale in Canada. Yet Canada is not moving towards collectivisation. People do not know these facts.

One important point about co-operatives is that if the co-operative movement is to succeed in India, and it must, then it must be preceded by careful training and education. It is no good saying: "Form a co-operative and allow village people to function." That is not good enough. And I confess that we have not given enough attention to training. We have to train people carefully. It is a task we all have to face, and it is in the measure that we train people that the co-operative movement will succeed.

Well, Mr. President, I have taken advantage of your kindness in inviting me to talk about some subjects which you have dealt with in your address, and others that you have not. I hope you will forgive me for the liberty I have taken. Thank you.

IX. NEW PATTERN OF RURAL SOCIETY

Mr. Speaker, Sir, I should like to express my gratification at the fact that the honourable Member has brought this resolution before the House. I should like to express also my satisfaction that this subject of co-operation and co-operative farming has met with some rather aggressive and virulent opposition from some Members in this House and some people outside. Indeed, it would have been a pity if a move of this kind should have been quietly and unthinkingly accepted.

I welcome this because we want this subject to be understood, to be treated as a live subject, and not accepted as many things are and then forgotten.

I must confess that I have not been quite able to understand the rationale or the logic of the opposition to co-operative farming. I can understand, of course, an unreasoned passion, prejudice, a difficulty to comprehend something

which you are not used to, fear of everything new. 'That one always has to face whenever there is any kind of step forward. But the attempt to argue and reason against this has not been understood by me in spite of every effort.

What are we after? Broadly speaking, we are after raising the standards of our people, increasing our production, so that the land can yield better results for the people concerned and for the country. We are after a higher form of social organisation, a social organisation which helps us in realising our social objectives. There are two ways of approaching this question, positive and negative. Let us examine the negative approach, because it is the negative approach that applies to honourable Members who oppose this idea.

The negative approach is: do not do it, it is dangerous, people will not like it, there will be trouble. Sometimes it is even said that it will lessen production. If any step that we take basically lessens production, then it is a wrong step. It is not a matter for argument, because, obviously, we are aiming at higher production.

If we do not act, what happens to our agrarian economy? We leave farmers struggling hard to eke out a poor subsistence, some a little better, others a little worse. A bad harvest comes and they are knocked on the head.

It is worth considering where all this leads to. Leaving things as they are, I submit, leads to the inevitable conclusion that you want to petrify the poverty of the peasants and the poverty of this country. That is a conclusion which, I am quite sure, nobody will thinkingly accept; they may, unthinkingly—some honourable Members apparently do—but thinkingly they will not accept it, because we all want progress. Therefore, we cannot leave things as they are. We are just not going to admit or accept the fact of Indian poverty continuing or the poverty of our agricultural classes continuing.

I have not a shadow of doubt that co-operatives are the right approach, that co-operative farming is the right objective to aim at. Of course, there can be some valid criticism and questions. It might be asked how far the conditions in all parts of India are suitable for co-operative farming at the present moment. Or one may say—and rightly say—"You cannot have this kind of thing, which requires a good deal of

training, without trained persons to do it; you cannot simply pass a law and expect things to happen". This is right criticism which we can answer by training people or by creating the necessary objective conditions. That is the scientific approach to the problem. But it is not good enough just to say that co-operative farming or co-operatives are unsuited, being something new or against the genius of the Indian people, and, therefore, we must not have them. That has no meaning. That is an unscientific approach. And if you accept that, you accept remaining sunk in poverty all the time because you can never go ahead without doing something new.

On the other hand, it would not be correct to say that co-operative farming is good and, therefore, we should have it everywhere tomorrow, because that is difficult. I agree that it would not be practicable. We have to prepare the ground; we have to prepare the people's minds; we have to win them over.

The question of voluntary acceptance has been raised in some quarters. That too is an odd question. As long as our Constitution, as it is today, remains in force it can only be by voluntary acceptance. If the Constitution breaks down and is changed, I do not know what will happen. But so long as our democratic Constitution lasts, these fears and apprehensions are unfounded. I would go further than that. It is difficult—I would say almost impossible in Indian conditions—to bring about this kind of change-over in a vast country by methods of compulsion. You cannot. You can pass a law but you have to get people to work that law, get people in hundreds and millions to work that law. Otherwise you do not succeed, even if you are prepared to have a measure of compulsion.

On the other hand, it seems to me quite absurd to say that one farmer can hold up the whole village and can prevent that whole village from going ahead. I do not accept that position. I want to make it perfectly clear. If you accept that position there will be no law passed by this Parliament or by a village panchayat or by the village co-operative; it is impossible. If the village co-operative wants to do something

and one man says, "No, I veto it", the village co-operative becomes helpless. No co-operative can function like that; no panchayat can function like that; no legislature can function. Democracy does not mean that each person can hold up the rest of the community. So, fundamentally, co-operative farming can only come by a widespread general acceptance of it.

I want to make it perfectly clear that if we consider a policy a right policy, we shall give every incentive in favour of that policy, but not apply pressure. Surely we are going to give incentives. We will confer distinction every time for better work. Distinction is conferred on the better worker through better wages. He produces more and we will give him better wages. That is a type of incentive that you always give. In fact, I should like that type of discrimination somehow to be made in all factories and farms and plants and even government services. But it is difficult in government service, because there everything goes by time-scale.

I put it to this House that we have rather slightly lost ourselves in thinking about these questions. I say so with all respect. We ask, what has Yugoslavia done? What has some other country done? We ask whether this is democracy or not. Of course we should profit by what Yugoslavia, Russia, China or America or England or Germany has done. But we are trying to measure these questions by yardsticks which may be useful occasionally, but which have no great relevance today. We ought to consider the conditions in India. We have to consider how to achieve our objective. When I say conditions in India, I mean not only the agricultural conditions but the people of India too. I have no doubt, theoretically, that co-operation, co-operative working, is good in every single department of human activity, except perhaps high artistic effort. Leaving such artistic activity, in every other activity, co-operation is the better method. There can be no doubt about it in theory. You may raise difficulties that in practice people may not accept it. Let us meet that point. But it is a better way of life, and in fact it is an inevitable way of life when you live in crowded communities. It is all right in a sparsely populated country for people to have large farms, each a separate entity. In the Vedic age, presumably the then land tenure system was suited to that time when there were vast

lands and forest areas and a relatively small population. "You cannot have a system of the Vedic age in terms of the population in India today which is a hundred times and grows apace.

There are two solutions to the problem. One is co-operation and ultimately co-operative farming, and the second is to take people away from the land and into industries. A fact which is rather unique in the history of our country and which no doubt many honourable Members of this House know is the ratio of agricultural and urban population in India and how it has varied. In most of the industrialised countries of Europe, throughout the 19th century, the urban population went up. By 'urban' I mean particularly the population engaged in industry. The ratio of agricultural to urban population was 50:50, 60:40, 40:60 and so on. In America, of course, the agricultural population is much less. India is one of the very few countries where throughout the 19th century and right up to a part of the 20th rural population increased at the cost of the urban population.

What does that mean? Lack of opportunities for work, lack of industrial activities, and everybody falling back on the land and becoming a burden on it. The land was not empty. The land was already full, when more and more people came. That is the basic cause of India's poverty: the burden on land. So we have to take people away and give them some other occupation. By 'taking away' I do not mean bringing them to Calcutta or Bombay and leaving them there, but having industrial activities there.

The other solution is the co-operative approach to the land problem. This is a logical, scientific and reasonable approach. Further, apart from that, it helps us in our other objective; that is of raising the production from land. It should be obvious that, other things being equal, with better technique, with better methods, there is greater production. To say that primitive tools or bad technique will give you more seems to be on the face of it contradictory.

Now, better techniques cannot be utilised in small patches of land. But it is possible for a big farmer with a very big farm of hundreds and hundreds of acres to use better techniques. I am not for a moment talking about tractors.

Not that I am opposed to tractors, but I do not think that tractors in present conditions in India can be used on a mass scale. I am thinking in terms of better tools and better techniques. They cannot be utilised in small patches of land. First of all, the small, poor agriculturist has no resources at all. Secondly, he is not trained to use them. In order to use these techniques you have to have larger farms. In the large State farm in Rajasthan, most wonderful results are being achieved today. In about four days I am visiting the place. They have 5,000 acres, and the crops there, I am told by people who have been there, are just astonishing. A normally 4 ft. high crop is 10 ft. high there.

Nevertheless, for other reasons, I do not want farms to be too large. We are aiming at an agrarian economy of small farms co-operatively organised on the village basis. Co-operation does not function successfully if the unit is too big. I do not want that to go beyond a village or two villages, because, otherwise, the personal touch goes. Strangers come in whom people do not know. Then two things may happen. One is that the official may come in there, and I want, as far as possible, not to have official intrusion. Secondly, a few clever people in that group of big villages may become bosses and exploit others. But in a small village, where people know one another, there is a sense of almost family kinship. Therefore they know who the knaves are and who the good people are. They can more or less pull together, even quarrel and still carry on. This is the idea. That is, a village, or may be two villages, will form a co-operative unit, and ten to twelve of these units will become a union of co-operatives for economic purposes. A small unit may not be capable of producing results or may not be wholly viable. But the union will be viable.

If people can undertake joint cultivation, well and good. But I do not ask them to do so, because I realise that good as joint cultivation is, people have to grow into it. It cannot be imposed. You have to learn the psychology of it and the practice of it.

So far as practice is concerned, I think it is of the utmost importance that from now we train people, large numbers of

people. It will never succeed unless there are trained co-operators, and training means that the Central Government and the State Governments and the Community Development movement all undertake this task in its various stages and degrees. First, there should be some people with high-class training who are really experts in it. We may have special classes, in our agricultural colleges, rural institutions and other places. That is to say, every State should have a handful of people, with complete knowledge and experience. Then there should be people with a good deal of experience though not of the same standard. Finally, the Panchs and the Surpanchs should be given some training by the co-operatives and by the Community Development movement. Thus there should be a large base of some training, a little higher base of more adequate training and people with really very high-class training at the top. That is essential.

The other aspect is the psychological one. If people start with service co-operatives and work it and succeed, the next step is a short one for them. It is not I who decide or Parliament that decides. The service co-operative decides. If they want some help from us, we should try to give it. They will decide it ultimately in the light of their own experience in the service co-operatives as well as by seeing how joint cultivation is functioning in other areas. The farmer goes by example rather than by theory. These are the stages that I see.

I am convinced that joint cultivation is desirable for greater production, greater cohesion and a progressive removal of class distinctions. It is an important thing. This is the psychological part of it. You change gradually, not suddenly, the whole social fabric of the village in that way. Co-operatives, panchayats and all these village organisations should build up the real democratic basis of our society. It means each step following the other; it means hard work, millions of people being approached. It means also that the approach should not be too rigid. The broad outlook should be clear enough, but in its application it should not be rigid. In a huge country like India I do not like any rigid approach

which must apply to every bit of India. Sometimes the approach you may make to a wheat-growing area may not be the same as the approach to a rice-growing area. Conditions are different and the approach will have to be adapted to these conditions. The approach should be flexible and, inevitably, there will have to be stages. The first stage, broadly speaking, is the service co-operative, the multi-service co-operative. The next is joint cultivation societies. This will not happen suddenly overnight all over the country. Gradually, the service co-operatives will become joint cultivation societies. There will be a period when you can see both functioning and acquiring experience.

The House will remember that we have said that the ownership of land will continue. Some people say that this is a ruse, or that, even if we mean it, we will not be able to stand by it. I do not know; how can I say about the future? This concept of ownership is a peculiar concept which has changed through the ages. The House knows Acharya Vinoba Bhave thinks there should be no ownership of land at all. I respect the idea and I should be very happy indeed if there were no ownership. But I do not think it can be so today. I do not reject it at all, but I do not think it is feasible today and therefore I do not press for it. But this idea of ownership itself is an incorporeal thing. Suppose there is a very big estate and a limited liability company with shares. A man owns 10 per cent of the land. But he cannot say, "this particular bit of land is mine". He owns 10 per cent of the larger area; the ownership is solid enough. He gets the dividends. Today land is terribly important only in countries which are industrially backward. It is somewhat important everywhere, but it is more so in industrially backward communities. But wherever industry goes ahead, ownership becomes scrips and shares, ownership becomes credit, an invisible thing. A man with credit can raise almost any amount to start industries. The whole concept of ownership is changing and yet we are sticking to ownership by sitting on a square yard of land and being proud that "this square yard is mine and nobody can take it". Even there it goes, as communal life develops. In the cities there used to be roads

privately-owned and bridges privately-owned. Now roads have become public property as also bridges. Railways have become public property, too. The idea of private ownership changes and the public and the individual benefit by it. A changing society revises its ideas about these basic forms of ownership. That will happen. One should not be afraid of it. In fact, one should welcome it provided it leads to the objectives we are aiming at.

So, whatever way you look at this problem, you are driven to the conclusion that our future lies in a co-operative approach; I would add, a co-operative approach not only on the land, but also in industry. For the moment, we are dealing with land.

X. FLEXIBLE APPROACH TO PROBLEMS

Mr. Speaker, Sir, I should like to say something in these opening remarks about the co-operative movement and not so much about the general Community Development movement. The co-operative movement is not a new movement in India or the world. We have a fair amount of experience of co-operatives. Nevertheless, the broad approach that we have now decided upon has some novelty about it, at any rate for us. This approach, however, is not a sudden development. It is the result of a great deal of earnest thought and consideration.

N. D. C. RESOLUTION

Many months ago, there was the meeting of the National Development Council, and it decided unanimously that we should go ahead with the programme and establish co-operatives in every village in India. This perhaps came as a sur-

Speech in Lok Sabha during debate on the Demand for Grants of the Ministry of Community Development and Co-operation, April 12, 1959

prise to people who had not been thinking about the subject. A little later, the National Congress, meeting at Nagpur, not only approved of this but laid great stress upon it, especially on the ultimate objective of joint farming. But, for the moment and for the next three years, it said, we must concentrate on service co-operatives.

After that there was some excitement about this decision, as if some disastrous step had been taken. Even in this House speeches were delivered which showed the measure of excitement and opposition in so far as the makers of those speeches were concerned.

Some weeks have elapsed since then and almost everyone in this House and, perhaps, outside—barring the few incorrigible people who will not see the light even if it is a bright light—has very largely and very firmly accepted this basic approach.

There may be differences about details, as there must be in such a tremendous programme, but the basic approach has been accepted and has been welcomed. I think it has been welcomed more especially by the population of the rural areas to whom it applies. I do not say that every single person has welcomed it, that every single detail has been welcomed or agreed to, but the broad approach has been welcomed.

NEW SOCIAL STRUCTURE

To begin with, I should like to place a certain aspect of this before the House. We talk about the co-operative movement, we talk about village co-operatives or larger co-operatives. But I should like this matter to be considered from an even broader point of view: of reorganising our vast rural areas, of building a new social structure. The essential characteristic of a co-operative or a panchayat is close contact, social cohesion and mutual obligation. This is vital for building up gradually a new structure for our rural society. That is an enormous undertaking. When we started with the Community Development movement, that was our objective although it was not stated in institutional terms. The institutional terms come now through the co-operatives. Hitherto

the Community Development movement has sought to make the people living in the rural areas self-reliant, working together, co-operating, building up their villages and generally advancing on every front, more especially the agricultural front. Now the co-operative comes and gives the aim an institutional character.

ATTEMPT ON MAGNIFICENT SCALE

In other words, this is an attempt on a magnificent scale—I use the word ‘magnificent’ because the size of India is magnificent—to apply the basic social approach to the land problem.

We disapprove the other approach of too much individualism in small tiny holdings, which prevents progress. We do not approve the collectivist approach either. We put forward this co-operative approach because it fits in with the basic ideals that we have.

No doubt, as we go ahead, we shall consider this matter of co-operation again and again, vary it, change it and adapt it to changing conditions. In a problem like this, it is essential to be flexible. No strict doctrinaire approach or academic approach is desirable, for two reasons. Firstly, in a country like India with its great variety it is never wise to be very doctrinaire and rigid; secondly, because in the very nature of a vast movement like this, affecting 360 million people in India, you cannot be rigid. You have to see from time to time what is necessary. Therefore, I should like this House to consider the decision from this larger point of view.

While being flexible we should not allow flexibility to go so far as to become just nothing definite, just a vague generalisation. That is not good enough. Therefore, one should have fairly clear notions as to the nature of the co-operative movement as we envisage it in our rural areas.

RURAL CREDIT SURVEY

About this, the House will recall the recommendations of the Rural Credit Survey. The Survey resulted in many good suggestions and proposals. But its recommendation in regard to village co-operatives was based, I think, on the unfortunate

presumption that our people in the villages were too backward to be given much responsibility. I do not personally believe in that approach.

The other viewpoint is that the essence of the co-operative movement is in its non-official, self-dependent and self-reliant character, making for close contact and mutual obligation among the members.

This discussion continued for two or three years. Because of the Rural Credit Survey's proposal, and because money was forthcoming from our banks, especially the Reserve Bank, the tendency to put up large-scale societies developed. I do not say that those large-scale societies have not succeeded, but opinion has gradually veered round to small village co-operatives for the various reasons I have indicated. A true co-operative is one in which you can make the people grow, and where people make contacts and where there is mutual obligation and social cohesion. If you want our people to grow, and if you want to lay the base of a real co-operative structure, the unit should be small and not something very big.

A variation was suggested to bridge the gap. That was: let us have village societies, but let us have unions of 10, 12 or 15 village societies, so that they may be supervised generally and, for certain purposes, given assistance from the banks.

The National Development Council decided in favour of village societies. The National Congress definitely decided in favour of them. The National Development Council, which met recently, again went into this matter and appointed a sub-committee, which has submitted its report.

The position now is that these broad principles are accepted completely. The principles, as I described, were that there should be social cohesion, and that these societies should not be official-ridden—although officials may help certainly. They should, as far as possible, not be financed in the shape of share capital, etc., by the State.

TRIBAL AREAS

Having said that, there are exceptions to this. One broad and inevitable exception is in regard to the tribal areas. We do not wish to introduce rigidly something which may suit the

rest of India and not the tribal areas. Therefore, in the tribal areas, we shall have the co-operatives in conformity with conditions there, because they have strong communal feelings and organisations, and our co-operatives must suit them.

Just like tribal areas, there are other backward areas in India, and the problem was whether we should relax the principles there. Opinions vary somewhat on this. In a sense, 90 per cent or more of India is backward. Ultimately, it is not a question to be argued theoretically. It has to be decided from case to case, bearing in mind the principle that we should try our utmost to have these small societies and bigger unions of those societies.

Inevitably, the State Government itself has to judge where the principle has to be relaxed. Theirs is the responsibility and they will be the judges. But in regard to other issues, such as State participation, we shall consider the problems as they arise. We shall try to solve them always with a little measure of flexibility. In the final analysis, the State authorities will have to consider and decide.

There was another problem in connection with this. It has been said many times before that the co-operative law has to be simplified. It is being simplified. We have found that, while the law has to be simplified, what really requires simplification is the working of the law. We are quite convinced that the official character of co-operatives should cease and the co-operatives should be free to make mistakes, if they want to.

TRAINING AND SKILL

Now, a very serious difficulty arises. The working of co-operatives requires training and skill. Of course, the organiser requires a great deal of training and a great deal of skill. Even the secretary of a village co-operative requires some training, some skill at keeping simple accounts. That is a difficult problem. Sometimes, a village does not have a single person who can do it. We hope to train them in large numbers by stages. The right thing, I imagine, should be to have two persons who should be used for this purpose. One is the Gram Sevak, and the other is the village teacher. The Gram Sevak, at the present moment, serves ten villages, and it will be

a bit too much for him to be asked to look after 15 or 10 or even a smaller number of societies. The idea of the Gram Sevak has grown out of the Community Development movement. He is a part of the movement and he has been trained for it. I think about 30,000 to 40,000 have been trained. Perhaps his charge is a big one and may be we might reduce the charge. Then there is the village school teacher. I feel he should be responsible for the clerical work of the co-operative. But all these things will have to be worked out. A problem may arise that in a village there is none with the requisite training or literary capacity. Again, there may be absolutely no funds at all to begin with.

How do we get going? On the one hand, we do not want the co-operatives to start on the wrong foot. If all help flows in from Government, they will never get self-reliant. On the other hand, there is the difficulty of getting started. In regard to Government help, the broad approach is that help should be given but that it should be given only for productive schemes and projects and co-operatives should not be left to decide how to use the money.

It is in this context that I should like the House to consider this problem. I venture to say that, in spite of the heated arguments that have taken place sometimes, there is no person who can disagree with this basic approach, because there is no other approach. As I put it recently to this House, what is the alternative for dealing with large numbers of small holdings? What do you do with them? If you leave them as they are, they can never come out of their shell. They may improve a little, but they can never get out of their shell.

As soon as you make this basic, fundamental change in the approach to the land problem, I think this change will lead inevitably to progressive joint cultivation, with the separate shares of members in the land being retained.

If one looks at the problem from the larger point of view that I have ventured to place before the House, one sees this not only as something pertaining to cultivation and agriculture, but something leading to greater aims, something that gradually changes the whole context of village life.



THE PUBLICATIONS DIVISION
Ministry of Information and Broadcasting
Government of India