

thinking on the food front and give a lead to the ruling party which does not know which way to move? Will he thrash out a programme of State intervention in the purchase, storing and distribution of foodgrains or will he just play the shock-absorber and put his faith in the forecasts which

speak of a good monsoon this year?

These are major questions and will determine the direction in which the Shastri Government is likely to move. Until now, we have had no indication. The numerous press interviews given by the Prime Minister are vague. His

address to the Planning Commission is even more vague. All this vagueness may be deliberate, intended to give him time to make up his mind, but the hope is widely expressed that he realises that we cannot for ever be governed by a consensus.

Cooperatives in Poor Health

C V H

IT is but natural that a conference of Registrars of Co-operatives should feel enthusiastic about the role that they and their departments could play in accomplishing various tasks of national importance. Departmental prestige is a traditionally cultivated characteristic and in India, as in other countries, departments are prone to formulate schemes sometimes merely to justify their existence. The co-operative departments have the additional advantage that our plans accorded to cooperation that place as an instrument for the implementation of various development programmes. The Registrars are thus translating that theoretically accepted role into some programmes of work.

From one point of view the recommendations of the Registrars' conference are a lamentable confession of the inadequacy of the cooperative movement in respect of its primary function of providing adequate and timely credit. From another they confirm that, regrettable as it may be, promotion of cooperative ideals and organisations will have to be a primarily governmental undertaking for a long time to come. Cooperatives now supply about 50 per cent of the short and medium credit requirements of agriculturists. It is only in two or three States like Maharashtra and Punjab that the position is really satisfactory. In some other States like Andhra Pradesh the performance is not wholly unsatisfactory but it would require "herculean" effort to produce better results. In the majority of the States there is an enormous backlog of work to be done in strengthening both the institutional and the operational aspects of cooperatives.

Nevertheless the Registrars' Conference did not hesitate to recommend that besides the ordinary short-term and medium-term assistances, the disbursement of *taccavi* loans to agriculturists, which are now routed through the revenue departments, should also be entrusted to the coope-

ratives. This may not make the situation actually worse since Government agencies have not shown themselves to be very effective or quick either in disbursing the loans when required or in recovering them when due. Co-operative institutions, even as at present constituted, may not do worse. And from the long term point of view, the merits of channelling all assistance to the farmers through a single agency can hardly be denied.

De-Officialisation: Distant Goal

The Registrars' Conference commended the ideal of de-officialisation of the cooperative movement. Apparently, the progress, however, is in the opposite direction at present. Of course, it is true that de-officialisation will have to be pursued cautiously in view of the large financial investment in diverse ways by State in the cooperative movement. De-officialisation can be effective only when (1) cooperatives have built up sufficiently large funds of their own in the form of deposits and reserve funds; and (2) the present inefficient or ineffective internal management of societies has improved sufficiently through extensive cooperative education and training of managerial personnel.

These are pre-conditions the pace of whose fulfilment cannot be either forced or predicted with any certainty. Governmental direction and supervision with all its concomitant results like interference in the working of co-operatives, control over managements and powers of supersession of societies, *etc*, have to be accepted. The movement has to live with them as long as it cannot put its own house in order.

On the critical issue of price stabilisation, the conference recommended the execution of an interlinked and integrated programme of cooperative marketing, processing and distribution for each State. But this integration of the organisational structure is at a very experimental stage in most States.

It will call for sustained effort over a number of years to build up the standard of efficiency necessary for the cooperatives to play a decisive part in the marketing and processing of agricultural produce on a large scale. This means that the usefulness of cooperatives as a price stabilising agency in the current crisis will be rather limited and even if the experiment of the integrated programme is tried, it can cover only small areas and only limited quantities of foodgrains can be handled. The integrated programme should nevertheless be launched so as to put, in the long run, a curb on profiteering by private traders.

The scheme should be executed on an experimental basis in areas where the quantity of agricultural produce to be handled is large and the risk of middlemen, like millers, appropriating 'a large proportion of the profit from the handling of grain purchase and processing is very high. It would thus be possible to assess the efficiency of the proposal and the contribution it can make to the stabilisation of prices.

A curious fact which could not have escaped those who followed the Registrars' Conferences in recent years is the manner in which the recommendations of one Conference are reiterated at subsequent Conferences with the same solemnity and seriousness. The recommendation on cooperative farming is a case in point. Apparently, no action is taken on these recommendations. Registrars of Cooperative Societies are bound by Governmental directives and there are very serious limitations to their independence. Nevertheless, they cannot be indifferent to the fate of their important recommendations, particularly those which are accepted by the State Government. They must show greater initiative in goading lethargic Governments into action so as to ensure effective and speedy implementation of accepted programmes.