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Co-operation in India. by Henry W. Wolff

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The Economic Journal, Vol. 29, No. 115 (Sep., 1919), pp. 343-345

Published by: [Wiley](#) on behalf of the [Royal Economic Society](#)

Stable URL: <http://www.jstor.org/stable/2223414>

Accessed: 16/01/2015 06:34

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Co-operation in India. By HENRY W. WOLFF. (London: W. Thacker and Co. Pp. 346.)

MR. WOLFF has written for the instruction of people in India, and especially of officials of the Indian Government. This is evident from the fact that a knowledge is presupposed of the history and scope of the co-operative movement in India and of the provisions of the Acts of 1904 and 1912. It is also indicated by the rigorous exclusion of sterling in favour of rupees and by the frequent employment of vernacular terms. Possibly this is carried to an unnecessary length when "the late Vicar of Ealing" is represented as addressing a peccant parishioner as follows: "Why do you not repay me, when you pay your kists so regularly to your Self-Help Society?"

Registrars of co-operative societies in India could probably find most of what the book contains expressed or implied in the author's well-known treatise on *People's Banks*. But when the last edition of that useful work was published in 1910 co-operation had only been at work in India for four and a half years. During the subsequent nine years Mr. Wolff has watched the growth of the movement, which may fairly be described as remarkable, and has kept himself in close touch with local developments. It is well that his final conclusions should have been put on record, for he has every qualification except personal knowledge of the country for assuming the rôle of adviser. The present book may be regarded as consisting of sermons by a very competent preacher of the pure gospel of co-operation, and, when this is understood, a little discursiveness may be excused. But, having printed on pages 213 and 214 an extract from a registrar's annual report, it was hardly necessary to repeat it on page 215.

In the special chapter in *People's Banks* devoted to "Co-operative Credit in India" statistics were quoted showing the position in June, 1909. There were then in existence 2,008 societies with 184,897 members and a working capital of 80½ lakhs (£537,856). Mr. Wolff considered this "a record which has nowhere yet been equalled within the very first stage" (*People's Banks*, p. 519). But the figures are insignificant compared with those for 1918, when the latest official return records 26,465 societies, 1,055,244 members, and a working capital of 1,440 lakhs (£9½ millions), of which only 1·6 per cent. (£155,000) represented money advanced by the State.

As in Germany so in India the first task of co-operation was to provide credit on reasonable terms to peasants and artisans, and to prove that the character of the applicant and of his sureties

and the proposed employment of the money might safely be accepted as security for repayment. The business of nine out of ten societies is still the making of advances to their members, but some have begun to combine with their principal function the purchase of implements and seed, and even of certain household necessities. Other societies have been started whose special object is the co-operative insurance of cattle, the purchase of raw material for weaving, etc., or the sale of crops and manufactured articles. These are developments of which Mr. Wolff heartily approves, and he would welcome the remark of the Panjab Registrar that "the old idea that co-operation is money-lending has disappeared, and the fact that we are engaged upon the revolutionary task of rural reconstruction is becoming more fully recognised."

While not slow to point out what he considers deviations from the straight road, Mr. Wolff is prepared to approve, and even to applaud. Official control seems to him a drawback only to be accepted on the score of necessity arising from the prevailing illiteracy of the rural population. He acknowledges the care taken to avoid the evils which State aid has in his opinion produced in Europe. On his advice the Indian Government rigidly limited the amount and duration of financial assistance. Moreover, as Mr. Wolff points out, unlike the Governments of France and Germany, it has had no political axes to grind, and its sole object has been the welfare of the movement. But he would like, as soon as possible, to limit Indian registrars to the function performed by the Registrar of Friendly Societies in England, namely, "to see that the precepts of the law are carried out, and that balance-sheets are issued, and that those balance-sheets are correct." Local inspections to ensure that the business of a society is conducted with care and on co-operative lines should be the function within each society of a Council of Supervision, and outside it of officials appointed by unions and federations of unions. Admittedly Councils of Supervision are at present impossible. Many societies belong to no union, and, where unions exist, their chief function in some parts seems to be the guaranteeing of advances made by central banks to local societies. This is condemned as an abuse, on the ground that it weakens the responsibility both of the receiving society and of the disbursing bank.

The day when Mr. Wolff's ideal can in India be realised is probably a distant one. A few years ago it was doubtful whether the feeble co-operative credit movement in England owed any-

thing to the Registrar except an elaborate form of annual statement, which some not unintelligent local secretaries were wholly unable to tackle. Possibly something simpler has since been evolved. But it is certain that co-operation would never have taken root in India had the action of the State been limited to a yearly audit in a central office, and that it would collapse if any attempt were made to precipitate the solution which Mr. Wolff desires.

There is a small error on page 44. Mr. (now Sir Edward) Maclagan was not the author of the Panjavar experiment. Its interest lies in the fact that it was a purely unofficial movement started in his own village by a Rajput headman six years before Mr. Maclagan founded two rural banks in the Multan district and twelve years before the Act of 1904 was passed.

J. M. DOUIE

Effects of the War upon Insurance, with Special Reference to the Substitution of Insurance for Pensions. By WILLIAM F. GEPHART. (New York : Oxford University Press, American branch. Pp. 298.)

THIS is a volume issued by the Carnegie Endowment for International Peace, and is one of the preliminary economic studies of the war. It was written, evidently, some time before the conclusion of the war, and the statistics, therefore, are far from up to date. All kinds of insurance are dealt with, both American and foreign. The American Army insurance policies, which were adopted in order to avoid a repetition of the experience with pensions after the Civil War, are fully explained. Presumably a further volume will be issued in which the full effects of the war on the various kinds of insurance business can be more definitely shown, and it may be hoped that the alteration in the value of money, which is a very big war effect, and to which some reference is made, will be further discussed.

C. F. BICKERDIKE

Foreign Exchange Explained. By FRANKLIN ESHER. (New York : The Macmillan Company. Pp. 219.)

THIS is an elementary manual, explaining the general principles and a good deal of the practical working of foreign exchange business, but not concerned with the economic theory of interest.
No. 115—VOL. XXIX.

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