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“CO-OPERATIVE MOVEMENT-WITH REFERENCE TO KARNATAKA AND MAHARASHTRA”

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ABSTRACT

One for all and all for one is the basic principle of Co-operation. The Co-operative movement in India started in 1904 and now it has become a part and parcel of our Economic, Social, Political and even religious activities. It aims at the optimum utilization of natural and human resources for accelerating the rate of economic growth. Co-operation has often been recommended as a "Penacea" for all Political and Economic Problems.



KEY WORDS: *basic principle of Co-operation , religious activities , Political and Economic Problems.*

INTRODUCTION :

Co-operative movement has been playing a prominent role in the life of rural people. It is striving to mould social life together with political as well as economic life. Therefore, co-operation gained supremacy over all movements for the good life of mankind. Some people have described it as a 'Utopian Dream'. But the reality is that though co-operation alone cannot solve all problems confronting our nation it is trying to solve some of them in modern way.

ORIGIN AND DEVELOPMENT OF CO-OPERATIVE MOVEMENT:

The origin of the co-operative movement may be traced back to the Industrial Revolution, which took place in United Kingdom during the second half of the 18th and the first half of the 19th century. The Industrial Revolution was more than industrial, it had a revolutionary impact on the entire set up of the Society. Robert Owen began to preach that workers could attain their emancipation through self-help and co-operation alone. If they are placed in better situations, they will produce better results. The origin of modern co-operative movement is traced back to 1844, when the 'Rochdale Pioneers' of England established their store. They found in this 'store' a solution to their common problem e.g. exploitation by the traders. The weavers of Rochdale town in United Kingdom united together and opened a co- operative store to fight against the unscrupulous traders and to provide good quality commodities at fair price. Both developed and developing countries have accepted the co-operative philosophy to remove the social tension and emancipate the poor section of the society from the capitalistic and monopolistic exploitation.

The concept of co-operation took concrete structure in India for the first time in 1904 after the introduction of Co-operative Credit Societies' Act. It may be traced back to Santal Rebellion of 1855 and Deccan Riots of 1872 in India. These riots were the outbreak of the social unrest among the peasantry and

they compelled the Government to probe into the matter to find out the remedial measures. In 1875 the peasants of Poona and Ahmednagar districts in Maharashtra revolted against the money lenders who were charging high rates of interest. This led to establish co-operative form of Societies.

Sir, Frederick Nicholson published a book entitled 'People's Bank for Northern India' in 1900. Dupernex said in his book, it is to be found in the attempts made as early as in the 1880's. The Report on Land and Agricultural Bank by Sir Frederick Nicholson said that this Bank was very suggestive and effective on the ideology of co-operation.

The Co-operative Credit Societies Act, 1904 was the first Act which established the legal framework for the co-operative movement in India. Gradually, the co-operative movement began to receive the popular support and diverted its activities to various sectors building up the vertical expansion creating higher structures and federal bodies at all levels. In 1945 the co-operative movement in India was diverted various activities such as processing, marketing and distribution.

Co-operation was perceived as an important instrument of development of rural economy throughout the successive five year plans in India. Today Indian co-operative movement is at the threshold of completing 100 years. The platinum jubilee of the Indian Co-operative movement was celebrated on 1,2 October, 1980. A noted Co-operator V. L. Mehta stated that the principles of co-operative movement give ground for hope that it is possible through co-operative organizations to bring about a radical change in the conditions of life and work. There is no doubt that co-operative movements are indeed harbingers of a democratic socialism and welfare State.

In Karnataka also co-operative movement played an important role. The first agricultural Co-operative Credit Society at Kanaginahal in Gadag taluka of Gadag District and Urban Co-operative Credit Society of Gadag- Betageri registered in May 1905 under the Co-operative Act, 1904 are considered as the earliest Co-operative Institutions. At the end of 1905, a Co-operative Society at Bellad-Bagewadi at Belgaum District and Bangalore City Co-operative Society, Bangalore were started. After the reorganization of Karnataka in 1956 the orbit of the co-operative movement has been expanded in all its spheres both vertically and horizontally.

In the development of the co-operative movement in India, Maharashtra has played a very crucial role. From the very inception of the movement, official sponsorship, official regulation and administration of co-operative institutions was adopted as a deliberate and consistent policy. This close relationship between the Co-operatives and the State underwent a further qualitative change and become even more intimate following the All India Rural Credit Survey Committee's Report, 1954. In 1906, the first Co-operative Society was formed in Khandesh (now Jalgaon) district at a village called Bodhwad. Later on, four guaranteeing unions were established which use to provide credit to the agriculturists, Co-operative Sugar factories in Maharashtra were first established in 1950's in the northern part of Ahmednagar district. Sugar Co-operatives in Maharashtra have been used by the Government and Political leaders as instruments of rural development. First sugar factory in India established in the year 1784 at Sooksagar by cultivator Crafts, second in 1791 in Bihar by L.T. Patterson. In Maharashtra, first factory was started in 1919 at Haregaon in Ahmednagar district under private sector.

Thus Co-operative movement in India consisting of a wide range of activities of various types is considered to be the largest co-operative movement in the world. The success of such a vast movement depends on constructive leadership, effective and efficient management and

above all an enlightened membership. Co-operative movement is not only an economic and political movement but also an educational movement. It aims not only at material progress but also the art of building up co-operative character of man. In the ultimate analysis, co-operative movement would be judged by the extent to which it would promote the whole society with co-operative values. Then only it will be possible to establish the co-operative common wealth which is the true and ultimate aim of co-operative movement in India.

NEED FOR CO-OPERATIVE ORGANISATIONS IN INDIA:

Being an agricultural country, India lives in villages where one could see existence of socio-economic problems such as unemployment, poverty, indebtedness, exploitation, illiteracy, ignorance, religious superstitions, beliefs and practices, untouchability, domination of "haves" on "have nots" etc.

The co-operative movement is based primarily on the spirit of working together and thereby eliminate monopoly. The co-operative organisation is characterised by mutual help and welfare of individual members. As modern society is affected by the weakness of industrial domination, exploitation, the weaker segments are deprived of their due share and recognition. It is true that in modern life, exploitation cannot be easily eliminated. The organisation of these affected segments under the banner of co-operation relieve them from the clutches of capitalist domination and liberate them to a great extent from exploitation. Furthermore, the definition of co-operation itself bear testimony to the need for organisation of these weaker segments in India. As co-operation is a form of organisation in which persons voluntarily assist one another on the basis of equality for the promotion of their economic interest. Those who came together have a common economic aim which they cannot achieve by individual isolated action because of the weakness of the economic position of large majority of them. This element of individual weakness is eliminated by pooling of their resources and making self-help effective through mutual help and by strengthening the bond of moral solidarity between them.

ROLE OF CO-OPERATIVE MOVEMENT IN NATIONAL DEVELOPMENT:

Co-operative movement plays a significant role in third world countries which are affected by many socio-economic problems. As a democratic organisation the rural co-operative facilitate organisation of the weaker segments who are in dire need of external assistance for their socio-economic upliftment. The co-operative movement took shape with the cherished objective of provision of services and assistance to these segments through their organisation to promote their collective social action. The dawn of independence in India further accelerated the process of establishment of rural co-operatives for the purpose of integrated rural community development.

In the Constitution of India, there is a division of subjects for administration between Centre and State Governments. Co-operation is a State subject and it is the State Government's responsibility to implement the provisions of the Directive Principles of State Policy. The Directive Principles of State Policy in this respect lay down that the State shall try to secure social order for promotion of social welfare of the people. The social welfare can be better ensured through the organisation of co-operative institutions at the grass roots level.

Co-operative Societies have been established by the State Government with a view to transform the traditional social order in rural areas amongst the weaker segments through their collective social action. To do this, each State Government has a department that takes care of and runs the co-operative movement. The co-operative institutions existing in India may broadly be classified in terms of primary and secondary co-operative institutions.

The purpose behind the organisation of primary co-operative institutions is two fold i.e. provision of credit and noncredit assistance and service to the vulnerable segments. Again, the credit assistance is issued for agricultural and non-agricultural purposes. Similarly, non- credit societies may also be classified as agricultural and non- agricultural societies. The secondary co-operative institutions include the co-operative union at the State level, Central Co-operative banks at the district level and the State Co-operative bank, the Apex bank at the State level.

Structurally, our country has the largest co-operative movement in the world. By now, it has covered almost the entire length and breadth of the country in one way or the other. Over hundred million households of the country are members of one or the other type of Co- operative society. Thus, super structure of Co-operative Organisation is already built up for conducting numerous activities-credit, marketing of agricultural produce, supplies of agricultural inputs, processing of a number of agricultural commodities such as sugar, fruits and vegetables, dairy, fishery, handloom, handicrafts, housing etc. Some of

the Co-operatives have made outstanding performance in their field of co-operation such as Amul Dairy Co-operative in Gujarat, Co-operative sugar factories of Maharashtra, Indian Farmers Fertilisers, Co-operative (IFFCO),. PETROFILES and numerous others. The Co-operative movement in our country definitely increased with well diversified activities as compared to other countries. We were lucky to have stalwarts as Co-operative leaders in early days like Shri V. L.Mehta, D. R. Gadgil, Dr. D. G. Karve and R.G. Saraiya who provided initiative and removed the various hurdles and formulated ideas and policies for the furtherance of co-operative movement. The progress of the co- operative movement was truly a co-operative effort on the part of several persons including the lakhs of members of these various co-operative societies.

The role of the co-operative sector in the industry extends beyond mere sugarcane cultivation and sugar production. Co-operatives have an organic linkage with the rural society covering a variety of interfaces. In fact, the working of the Co-operative Sector provided a very harmonious and seamless modality of effecting radical change. From that point of view, it is indeed very significant that 70% of the sugar industry falls in the Co-operative Sector. Government is fully conscious that the health of the sugar economy hinges significantly on the prospects of the Co-operative Sugar Sector. Also Central Government is well aware that a significant growth of capacity to meet future demands is required to be created in this sector.

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