

is in excess of the supply, the sale of the product can be successfully handled by the individual. When the production of the product increases so that it will probably surpass the existing demand, various problems arise which are beyond the power of the individual to solve. With rapidly increasing production the following factors come into play: (1), the necessity for standardization of containers and grades both for local and distant markets; (2), co-ordination of physical transport both on land and sea; (3), elimination from the market of inferior grades; (4), thorough distribution of the product in the available markets so that all have a sufficient supply and yet none are over-supplied; (5), development of new markets; (6), improvement of field practices for the industry as a whole so that better quality may result; (7), erection and control of storage houses at shipping and receiving points, same to be refrigerated if the product is perishable; (8), increase in demand through advertising; and (9), elimination of speculation on the part of the trade and the general improvement of trade practices.

#### ORGANISATION LEADS TO SUCCESS.

Thus it is clear that individual farmers can do nothing to solve these problems but, as stated before, where one farmer is helpless, the combined efforts of a large number of farmers can lead to complete success. **Co-operative organization is the only possible means whereby the interests and desires of farmers as a whole can be given full expression.** A great deal of interest has centred around co-operation in agriculture recently and especially true has this been in South Africa. Many co-operative organizations have been formed in various parts of the world in recent years, large numbers of which have been failures, or at best, only partially successful. A few have been outstandingly successful and it is the shining example set by these few that has so greatly stimulated interest and unrest among un-

organized farmers. If a careful survey is made of the best organizations of the world it will be seen that they are based on certain fundamental principles. On the other hand, it is clear that the organizations that have not been outstandingly beneficial to their members have failed chiefly through violation or disregard of these underlying principles.

#### PRINCIPLES UNDERLYING CO-OPERATIVE ORGANIZATION.

Farmers in South Africa are showing a keen interest in the problems of organization and an outline of what has been accomplished elsewhere would be of value in showing what can be done provided the proper steps are followed. Lack of space prevents a discussion of any particular organizations but an outline of the fundamental principles of co-operation will be most valuable. <sup>1)</sup>

Numerous failures have occurred here in the past but it is the firm conviction of the writer that failure will not result from a complete observance of the fundamental principles discussed in the succeeding columns of this article.

The late G. Harold Powell, former General Manager of the California Fruit Growers Exchange, states, "Co-operation among farmers may be defined as an enterprise in which the members form an agency through which they conduct their business for their greatest mutual advantage." The following discussion of co-operative organization principles has been influenced to a great extent by the work of Mr. Powell. Of the soundness of the doctrine there is no question, as the only completely successful organizations of the world are based on these principles, whereas the failures have come to grief mainly through disregard of them.

<sup>1)</sup> For a detailed discussion of the organization and activities of the California Fruit Growers' Exchange, see T.U.C. Bulletin 6, The Organization of a Great Industry, by H. Clark Powell, August, 1925.