

To secure an equal stand with other nations, the first requisite is a settled Government policy, that will give security and confidence to the farmer, and induce him to adopt a continuous system of farming that will lead to increased production. The second requisite is a wide extension of agricultural research and education.

When there is a settled agricultural policy, applied research and absorption in practice of the results of research will undoubtedly lead to increased production of food stuffs and continued prosperity for the agricultural community. A relatively large rural population and an abundant home-produced food-supply are now recognised as being essential for the welfare of every country. If research in agriculture can assist in attainment of this, it will repay the nation, in a manifold measure, its comparatively trifling cost.

Wake up, ye Young sons of mother India.

C. B. Samuel.

The economic situation in Europe.

*An address delivered at the Geneva Meetings of the Central Committee by
Mr. E. F. Wise, British Representative on the Supreme
Economic Council.*

Sir William Maxwell introduced Mr. E. F. Wise, who was present at the invitation of the Executive, to give to the Central Committee at Geneva some idea of the economic situation in Europe and to indicate the means by which International Co-operation could assist in its amelioration.

Mr. Wise said that it gave him very great pleasure to accept the invitation to address this Committee, and still greater pleasure to have the opportunity of attending this meeting and of meeting the Co-operative representatives of so many countries, many of whom were already friends of his, and with many of whom he had had most pleasant relations in the past. He realised that, in asking him to attend, the Committee were asking him, not as a British official, but

as an international official, and as an officer of an international body whose official duty it had been to come into close personal contact with conditions in Europe with which the Alliance are also closely concerned. He was Chairman of the Committee which was charged with the duty of trying to overcome the difficult and most important task of re-establishing relations with Russia, and this Committee had decided some weeks ago that the best instrument for that purpose was the Co-operative Movement. What he had to say was not intended to bind either of the International Committees of which he had the honour to be a member, but was the advice of an official who has learnt to appreciate the strength and importance of the Co-operative Movement.

He had met some of the members of the Central Committee in Paris some months ago, and had indicated to them then what he esteemed to be some of the dangers of the International situation. At that time, the franc stood at somewhere between 30 and 40 to the pound sterling, at the present moment 64; the lire stood at about 40 at the present moment 100 to the pound sterling. The kroner was then about two or three hundred to the pound, but now stands at 800; and the state of the international exchange was a test of the state of disorganisation of international finance and of international trade. Since that date also the price of living had gone up in every country, and at that moment was higher than ever before. The statements of the experts of the Ministry of Food in England indicate that the cost of living two months hence will be appreciably higher. These facts indicate the dangers of the immediate future. Apart from that, statistics in the possession of the official economic authorities made it quite clear that the probable supplies of grain and wheat, the world's staple foodstuffs, from the coming harvest may be appreciably less than any harvest in the last ten years. As far as one could judge from the indications from different countries, there was a hope that that situation might be corrected in time. That hope consisted in the possibility of the supplies of raw materials, perhaps grain, being made available from Russia before the end of the next cereal year, but the facts to which attention had been drawn leave no doubt as

to the serious economic position of Europe. He was not trying to alarm the meeting, but merely trying to make them feel that a burden of responsibility rested on himself and them to do all they could however difficult and however delicate, to unite and co-ordinate the reconstructive forces of the world to deal with this dangerous economic situation. He did not believe it was possible to put forward any specific remedy; there were many things which might be done, perhaps immediately, to ameliorate the situation.

In Europe, the first and most important factor responsible for the dangerous economic situation in which we found ourselves, and the still more dangerous situation in which we might find ourselves later on, was the breakdown of the exchange of goods between countries. The agricultural countries—Roumania, Russia, Bulgaria and Hungary—were not producing sufficient to supply the needs of the other countries in grain, because they were not able to get the machinery and other things they needed for production. The same applied to the devastated areas of France, Italy and Serbia. There was no lack of the will and desire to repair the devastation caused by the war, but the machinery by which the necessary materials are secured had ceased to work. The machinery of exchange, and the international trading between countries, had temporarily broken down, and some means must be sought to put it right. In his opinion, which was shared by others more competent to speak than himself, some other means must be found of re-establishing relations between countries labouring under the many difficulties of exchange. With respect to Russia, the situation was clear; Russia at the moment had no currency, and trading in the ordinary sense was not possible. The only trading possible was on the basis of barter. With respect to Austria, and also to Germany, the situation was not very different. It was not possible, in the present disorganisation of Austrian currency, for trading on the ordinary basis to proceed. Anyone trading with Austria could not be sure that, by the time payment fell due, the currency would not have gone down another 20 or 30 per cent., and his money would then have disappeared. The same applied to Poland, was beginning to apply to France, and did apply to Italy.

In order to deal with that situation, it was necessary to devise some means by which the exchange could take place without recourse to currency. In other words, the fact must be faced that, in the countries where the exchange was disorganised, trading must for the present take place on the basis of barter. By this means, production might be set in operation in the countries at present disorganised, and they might be put in the position of becoming again self-supporting. The difficulties of barter were not intense, but it was possible to carry on barter on a wider and more general scale and by which the slowness of it as a vehicle of commerce might be overcome. There were schemes for supplying leather, textile materials, cotton or wool to Germany and Austria on the basis of the raw material remaining the property of the English or American exporter until the moment arrived, in three or four months time, when the material should be returned as finished goods, and a certain proportion of the quantities be ear-marked for payment to the exporter of raw materials in other countries. The balance of the manufactured commodity would remain the property of the country which had manufactured it as payment for the manufacturing skill they had put into the production. On that basis no question of exchange, or the movement of exchange, need arise. Another great help in the immediate future consisted in the re-opening of trade with Russia. The representatives in London of the Russian Co-operative Movement had already appealed to their colleagues in other countries to give them assistance, both moral and material. Moral assistance to the Russian people was of more than ordinary importance, and there was little doubt that such assistance would be given. The relations between the Russian Government and the Soviet Government presented serious difficulties, but a way must be found by Russia to secure that the Russian co-operative organisation should work with the utmost of freewill for the Russian people. Every one was familiar with Russian conditions. A few weeks ago the only organization by which trade could be done in Russia was through the Russian Co-operative organisation. He (Mr. Wise) was quite convinced that, despite all the circumstances, the organisation was so strong and well-founded,

and the temperament of the Russian people was such, that it would bear the strain and in time restart commercial negotiations. The only immediate way of dealing with the re-establishment of international trade, upon which the whole of Europe depends, was by some return to a process of barter organised on a large scale. The International Co-operative Movement was obviously equipped better than any other trading organisation for the carrying through of such a process of barter. One difficulty of the present international situation which was causing, and had caused, enormous feeling in many countries was the opportunity which the disorganisation of the exchange gave to the speculator, but with an organisation working on Co-operative lines, no such danger could arise. Further, trading in the immediate future must be frankly on the basis of mutual help—the Co-operative ideal—for which the Co-operative organisation lends itself very directly. Without setting up any elaborate organisation, and without judging any of the questions which it will have to decide with great deliberation some time or other as to the final form of its international Co-operative organisation, he (Mr. Wise) suggested that the Committee might consider how far its international organisation could be utilised immediately for the purpose of organising and assisting the exchange of commodities on the basis explained. It was quite easy to see that, if the organisation had a wider scope and covered several countries, its results would be more immediate and more easy to obtain. For example, Great Britain requires hides from Russia, Austria requires leather for boots, and Italy requires boots. The United Kingdom also requires fruits, oils, &c., that Italy can supply. Russia requires clothing that the United Kingdom could provide. If there were some institution which could organise the the supply of hides to Britain—which, in its turn, would convert the hides to leather and export some of the leather to Austria, which, in its turn, would manufacture some of the leather into boots, use some of the boots internally and export the balance to Italy, and the United Kingdom in its turn would export clothing to Russia—the whole transaction would have gone on without any question of

exchange arising, and with the great advantage of having provided employment and commodities to countries which otherwise could not have purchased them. In this way, the Co-operative Movement would render most valuable assistance to the European economic situation. This was the first meeting on economic affairs, as far as he was aware, at which representatives of the Allied countries and ex-enemy countries had met on terms of equality to consider together economic problems, and he was convinced that international economic problems had been in the past one of the causes of war. He was satisfied that the work of the International Co-operative Alliance, conducted on such terms of mutual assistance, could contribute a great deal to the avoidance of war, which all desired. The Co-operative spirit and the Co-operative ideals of mutual help and non-profitmaking could contribute very much to the immediate solution of the economic difficulties of Europe.

(Madras Bull : of Co-operation).

News and Notes.

The loss in burning away cotton stalks :—

The Pest Act which was passed last year in the Madras Legislative Council has come into operation in some districts where Cambodia cotton is extensively cultivated. The object of this Act is to check the spread of boll worm which takes six weeks to pass one generation. Therefore the ryots are to pull out the crop by the 31st of July every year, so that there may be about two months' time from the date of pulling out the previous crop to the sowing of the next year's crop.

But from the Agricultural News July 10, 1920, we understand that in the West Indies the practice is to pull out the plants and burn them. In St. Kitts, cotton stalks from an acre of unmanured land weigh 6000 lbs.

The amount of organic matter might be considered small, but in Tropical countries where the decay of organic matter is very rapid and the supply of organic manures usually inadequate, any