

● Cooperation will solve many of the planters' problems.

THE NEED OF COOPERATION IN THE COCONUT INDUSTRY

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IF nothing unforeseen takes place between now and 1946, the Philippines will be left alone to decide its own fate. The closing of the American market after independence will inevitably usher in an era of industrial chaos with the consequent result of widespread unemployment and misery if nothing is done between now and the day of the political separation of the Philippines from the United States. All government's efforts at cushioning the shock to be brought about by the political change will be of no avail if the people directly affected by the abrupt loss of the American market will not undertake their share in the task. The government will be unable to carry out an effective economic readjustment program without the cooperation of the people whose general welfare will be the foundation-stone of a strong political and economic structure. The separation of the Philippines from the United States could be made painless if the government and the people will collaborate in the economic readjustment work.

Among the major industries that will be hard hit by the loss of the American market will be the coconut industry. Over 4,000,000 people depend for work and livelihood on this industry. About P420,000,000 is invested in it. It is the only industry that is in the hands of Filipinos. If properly taken care of, according to Assemblyman Kalaw who toured in the coconut countries of the world, "the agricultural export products of the Philippines that can best stand the shock of independence is the coconut product. If the necessary preparation is made, it will be our greatest bet in the open markets of the world."

How Planters Can Solve Their Problems

As to how the coconut industry could stand the shock of independence is the problem that remains to be solved. It could be solved effectively by the coconut planters themselves with the government providing them with facilities.

The problems of the coconut planters, as in other industries, are: (1) Financing, (2) Transportation, and (3) Marketing. These problems could be solved through cooperation. If the Swedish wheat farmers were able to establish their own flour mills and the Danish dairy farmers were able to build their own dairy plants through cooperation, there is no reason why the coconut planters would not be able to improve their lot by pooling their resources together for their common good. The Kooperatiba Forbundet in Sweden, which operates the flour mills in that country, solved the problems of financing, transportation and marketing for the farmers. In like manner the Danish Federated Cooperative Dairies solved the problems of the dairy farmers.

Solution Of Financing Problem

The financing problem in the coconut industry could be solved largely by the coconut planters themselves if they only have the initiative to do so. They should create their own credit facilities. This could be done by organizing credit cooperative societies or credit unions. This is being done in England, Denmark, Germany, Sweden, Finland, United States, Japan, etc. In Japan, there are about 7,000 of these



When local helmet makers called on the National Coconut Corporation to seek aid against the ruinous competition of alien manufacturers operating under dummies. The group was led by Celso Icasiano. Included in the picture are Engineer Hilarion Henaes, Comptroller Gimenez and Secretary-Treasurer Benjamin Salvosa of the NCC.

societies, having a circulating capital of over Y1,000,000,000; in the United States about \$1,000,000,000 circulate in some 6,000 credit unions; in Finland, the cooperative bank reserves amount to about P184,000,000; and in England, the cooperative societies operate three biggest banks in that country. These banks were started by people who do not belong to what we may term "moneyed class".

If properly managed, this type of cooperative society would prosper in the Philippines. The Batac Credit Union, organized a few years ago by the members of the Church of Christ in Batac, Ilocos Norte, started with P1.00 capital. At present, it has over P40,000 circulating capital.

Transportation And Marketing Problems

The second problem, transportation, could be remedied through cooperation among the coconut planters. Their cooperative societies, under a federated body, could operate trucks and other types of transportation.

And the third problem, marketing, could be solved by organizing cooperative marketing associations. These associations, federated under a central body, will handle the marketing of the products. This will eliminate middlemen who, for centuries, exploit the producers and the small farmers. Along side the cooperative marketing associations will be the consumers cooperative stores where the planters and workers could obtain their daily necessities at cost.

The central body of all coconut cooperative societies, therefore, will provide credit, transportation and marketing facilities. It shall also operate factories and manufacturing plants to convert coconut by-products into finished goods. With the improvement of copra through the installation of modern copra driers, the use of defiberizing machine to convert the husks into fibers, the employment of machinery to obtain wood preservative from the charcoal of the coconut shells, etc., the industry will surely enjoy a new life. The planters will then have larger income and more people will be provided with work.

Cooperation Must Implement Efforts Of Government

If the organization of coconut cooperative societies could be undertaken by coconut planters and workers, in cooperation with the Government, the economic readjustment program now being carried out by the Government preparatory to eventual independence in 1946, the coconut industry will surely "stand the shock of independence." Without the cooperation of the coconut planters and workers, all government's efforts to improve their conditions will not give impressive results.

LOANS TO COCONUT PLANTERS

The policy of the National Coconut Corporation to extend loans to coconut planters and copra producers is of far-reaching significance. The rehabilitation of the coconut industry in this country is a long-way program demanding joint efforts of the government and the coconut planters themselves. The improvement of the quality of copra so that better prices could be demanded is vitally a reconditioning factor in the process of giving a new lease of life to the industry that is demanded upon for livelihood by millions of people.

One thing is to be noted, in effect, that a good number of the regulations governing the granting of loans to the coconut planters are not totally necessary as they are bordering on red tape. What is needed in remedial processes is quick action without unnecessary delay. Of course, it is highly in order to stand firm by adopting strict regulations not only to protect the interest of the Coconut Corporation but to find out the reactions that may be registered from the coconut planters themselves. For, as a matter of fact, there is nothing wrong in the whole policy as there is nothing wrong to give full trust to and faith in the planters.

At any rate, however, the National Coconut Corporation is doing a great task in the direction of accomplishing the greatest good for the coconut industry. Such broad and long-range policy of the government needs practical translation to the masses of the coconut planters and copra producers in the Philippines.—
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