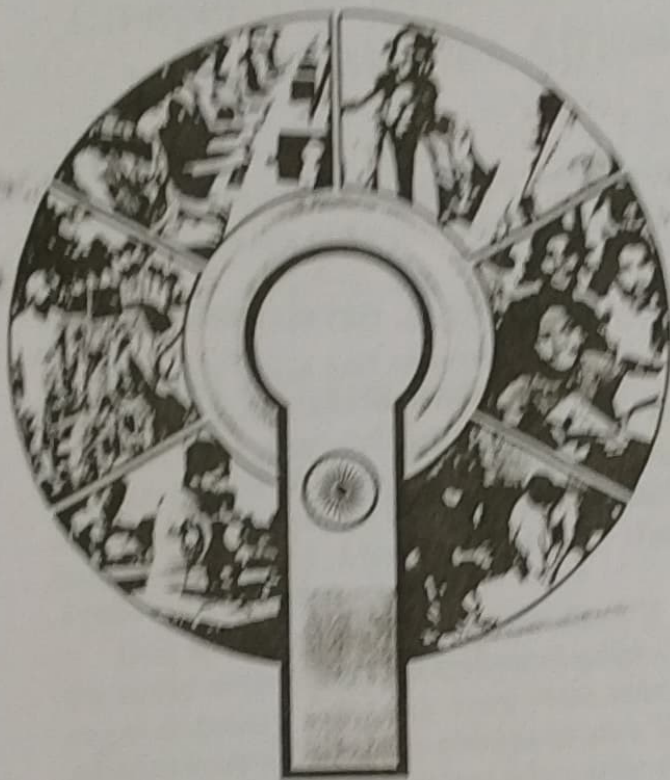


COOPERATIVE AND RURAL DEVELOPMENT

(Gandhian Perspective For Sustainable Development)

सहकारिता एवं ग्रामीण विकास
(गांधी विचार के परिप्रेक्ष्य में सम्प्रेषित विकास)



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Co-operative Sugar Industries Socio-Economic Booster for African Countries

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Introduction:

The vast scale and natural wealth of Africa are matched by a diversity and richness of culture. Africa has diversified characteristics of the land i.e. desert, largest river and the rainforest and also very nice workaholic population. African Union (AU) is a youngest continent of 54 African states whose GDP is the fastest growing GDP in the world. It is the natural mineral resources hub in the world. More than 60% of the land world's Agricultural land is available in Africa.

Due to the huge land availability, it is always said that Africa will rule the world with its agricultural production. The agro-based industries specifically sugar industry will play very vital role to strengthen the economies of the African states. Sugar has always been a "Political" commodity. It is not strictly essential to people's diet but it has many of the characteristics of an addictive drug. The craving for sweet food is so string and sugar is so relatively affordable, that control of the trade in sugar has historically been an important source of personal wealth, taxation and political power, similar to salt and tobacco.

As far as sugar industries in Africa is concern Africa is not the world's largest sugar producer, but it embraces so of the world's best production facilities (Best in the sense of agricultural and factory productivity and cost of production). Five African countries i.e. Zimbabwe, Malawi, Zambia, Swaziland and South Africa are consistently ranked amongst the lowest cost sugar producers in the world. After considering all the positive conditions in Africa the researcher is trying to focus on the role of India in the revolutionary development in African states with be help of Indian government and cooperative sugar industries. Why India? Because India and Africa have historical relations of more than 3000 years and Indian sugar Industry achieved and maintain the second largest agro-processing industry in the country and

India is the second largest producer of sugar in the world after Brazil and it is the largest consumer of the sweetener. Researcher also focuses on the cooperative sugar industry and its by-products model which will be the success mantra to achieve the socio-economic development of the African States.

African continent:

With the objective of unity and solidarity between African countries and people for sovereignty, territorial integrity and independence of its member states in the year 1999 it was decided to establish African Union at The Sirte Extraordinary Session in Libia.

In 2000, the Constitutive Act of the union was finalized the base of African Union. In 2001, Lusaka Summit draws the road map for the implementation of the African Union. In Durban summit in 2002, the African Union was launched which is based on principally depends on Human Rights and people rights.

Africa India Relation Background:

India and Africa have trade, cultural ties, healthy and historical relations of more than 3000 years (in the period of Indus and then followed by the vaidic civilization) and India and Africa have common struggle against colonialism and apartheid. India and Africa have emerged to jointly accept the challenges of a globalizing world. After Independence India in 1947 inturn provided powerful support to the forces of nationalism and decolonization in Africa. Mahatma Gandhi is a common bondage between India and Africa.

India's First Prime Minister Jawharlal Neharu to Present Prime Minister Narendra Modi and Indians are very positive about the Africa-India healthy relations.

- 1) India Africa relations were institutionalized in The First India – Africa summit on 8-9 April, 2008 at New Delhi. The Delhi Declaration and the Africa – India framework for Cooperation was issued with the blueprint for India Africa dialogue and engagement in the 21st century.
- 2) Second India-Africa summit was held at Addis Ababa in May 25th, 2011.
- 3) The 3rd India Africa Union Forum Summit was organized at New Delhi in 2015. This meeting brought together at least 41 leaders from African states and representatives from all 54 states of Africa.

Out of the more than 470+ sugar mills in the country, about 60% are operating only in the cooperative sector, 35% in the private sector and the rest in the public sector. The cooperative sector accounts for about 43% of the total production in the sugar industry. The sugar cooperatives are politically powerful, especially in Maharashtra where most of the sugar factories are run by the politicians. There are more than 50 million farmers engaged in

sugarcane cultivation whereas more than 2.5 million skilled and semi-skilled workers are employed by the industry in India.

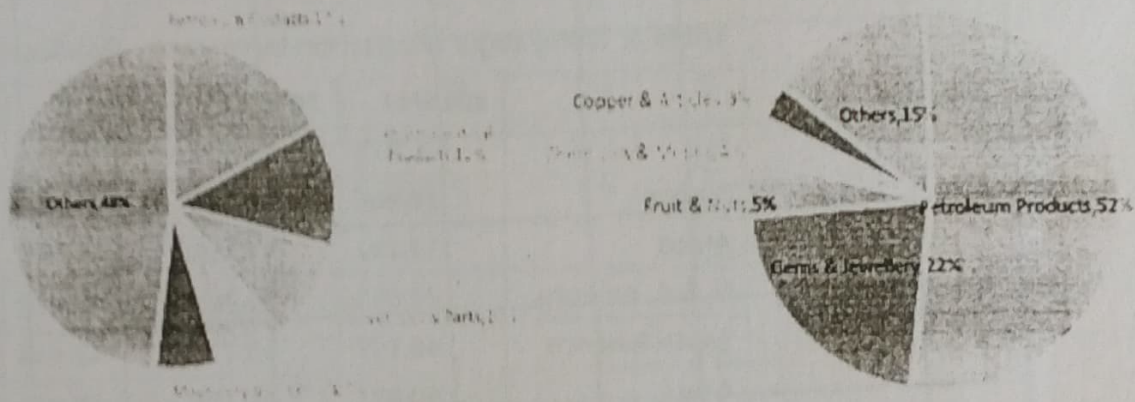
India is second largest country

India's Trade with Africa (in US\$ millions)

Top Five Countries of Export	Total Exports (in US\$ mn)	Top Five Countries of Import	Total Imports (in US\$ mn)
South Africa	3554.42	Nigeria	7659.48
Kenya	2198.63	South Africa	5813.53
Egypt	2071.85	Angola	2596.49
Tanzania	1786.22	Ghana	1938.54
Nigeria	1771.34	Botswana	1307.39

Major export items petroleum products, pharmaceutical products, vehicles other than railway or tramway, machinery and equipment, and cereals

Major import items include petroleum products, gems and jewellery, edible fruit and nuts, inorganic chemicals and organic/inorganic compounds, and copper and articles.



Origin of Sugar & Sugar Industry:

“According to Hindu mythology, the sugarcane crop is related to the God Ganesh and Goddess Laxmi and is a symbol of affluence. India is the original land of sugarcane production.” India is the first country, which started sugarcane production. The references to sugarcane in Hindu mythological books precede any such references from other countries. There are many references about sugar in *Manusmriti*. Similarly sugarcane is mentioned in the *Atharvaveda*. The technique of producing sugar from sugarcane was developed in ancient India.

The first written reference to production of sugar has been found in Sanskrit literature. In Ayurveda the word 'Ikshu' has been used for sugarcane. In Sanskrit language, sugar is called 'Sharkara'. It is called 'kand' in the Arabic. This word originated from the Sanskrit word 'Khand' and later it became 'Candy' in the English language. Cultivation of sugarcane spread from India to Shrilanka, Java, China, Egypt, Morocco and Spain. In china during the reigns of 'Cha' and 'Hoan' dynasties cultivation of sugarcane and production

of sugar was started in the provinces of Tonking and Annam. Sugar production on commercial lines was started during the ninth and tenth century. The crusaders introduced sugar first in France from whence it spread all over Europe. The Portuguese first started sugarcane cultivation on the islands of Madeira and St. Thomas. In his second voyage in 1494 Columbus introduced sugarcane to Santo Domingo from which it spread to Cuba and the Caribbean countries. The Dutch started sugar production in Brazil in 1580. After driving away the Dutch from the West Indies, the Portuguese started sugarcane cultivation and sugar production was started there in 1655.

Sugar Industries in African Countries

As compare to Total world sugar production Africa has produced only 6.87% of sugar in 2016-17, 6.44% in 2015-16, 6.28% in 2014-15, 6.22% in 2013-14 and 5.95% in 2012-13.

India was the 2nd largest producer of sugar in the world after Brazil.

Table 4: World sugar production by regions - Oct/Sep (1,000 tonnes, raw value)

	2016/17	2015/16	2014/15	2013/14	2012/13
EU	16,875	15,051	19,174	17,109	17,420
Europe	28,966	25,895	30,110	27,786	28,598
Africa	12,192	11,255	11,371	11,294	10,964
N & C. America	23,659	22,241	22,770	22,228	23,625
South America	46,197	48,139	42,444	47,386	48,080
Asia	60,891	61,795	68,841	68,471	67,072
Oceania	5,530	5,348	5,425	4,302	5,243
Total	177,435	174,673	180,960	181,466	184,182

African Countries largest Investment hub

Africa's agriculture is dominated by a variety of staple food crops and a few traditional cash crops. The top 10 investing countries in Africa constituted 77% share of the cumulative investments of US\$ 10.3 billion, with most of the investments coming from European countries like the UK, the Netherlands, Switzerland, and France. Besides the USA, Saudi Arabia and India. The countries that received the highest investments (cumulatively during Jan 2003-Feb 2017) are Nigeria, Egypt, Cote d'Ivoire, South Africa, Zambia, Ghana, Ethiopia, Angola, Tanzania, and Mozambique – together constituting almost 78% of the inward investments into processed agricultural and allied industries in the continent.

Total FDI in Processed Agricultural and Allied Industries in Africa (Jan 2003-Feb 2017) (in US\$ mn)

Bakeries & Tanneries	55	.	.	.	.	255	.	.	.	.	.	.	.	.	.	.	5	55	458
Breweries & Distilleries	455	230	25	475	599	234	264	335	322	325	335	325	335	325	335	325	335	325	335
Sawmills & distilling	.	.	75	75	240	.	225	.	41	59	.	41	59	.	41	59	.	41	59
Stock feed	.	5	.	45	52	502	502	502	502	502	502	502	502	502	502	502	502	502	502
Sugar & confectionery products	555	52	255	452	445	445	445	445	445	445	445	445	445	445	445	445	445	445	445
Grand Total	655	340	300	600	1025	1840	606	1140	604	547	1440	604	547	1440	604	547	1440	604	547

Sugar Industries in African Countries

- 1) Africa has a good share in products like sugar and as a result the continent has witnessed a significant investment into sugar and confectionary products.
- 2) The cumulative investments into the sector have been to the tune of US\$ 4.8 bn during the period January 2003 to February 2017.
- 3) For example, Savola, a Saudi Arabia based company, has added two sugar plants in Egypt.
- 4) Singapore based Olam International has invested in Nigeria and Cote d'Ivoire. in 2011, invested in sugar manufacturing in Nigeria, as it realized that the state's 44% duty on imports of the refined sweetener favoured local output.
- 5) Many US based companies like Cargill, Archer Daniels Midland, Cadbury, Mars, Wrigley have invested in a host of countries like Cote d'Ivoire and Egypt, Ghana, Kenya, Nigeria in the Sugar and confectionary products segment.

New Investment in African Sugar Industries

Country	Investment US\$	Factory/refinery Capacity	Agricultural production
Rwanda	250mln - 300 mln 75 mln	1,00,000 t	10,000 ha
Zambia	90 mln 500 mln	1,00,000 t	30,000 ha
Ghana	24.5 mln Hana Eastern Region	200,000 tonnes sugar, 50 million liters ethanol	Initial plantation will have an acreage of 1042 ha
	250 mln	1,00,000 t	
	59 mln	1250 tcd	
Egypt	360 mln	2,50,000 t	
Nigeria	705 mln		
Mozambique		50 t sugar/d	
	105 billion		30,000 ha cane production
Uganda		20 million liters	
Cameroon		214 mln	
Kenya	170 mln		83,000 ha
Sudan		4,50,000	
Abu-Qutah	894.3 mln	90,000 t	

The Co-Operative Movement In The World:

"There is sweetness in co-operation; there is no one weak or strong among those who co-operate. Each is equal to the other".

Mahatma Gandhi

Indian society has been following co-operative principles and living in co-operation for a very long time. Our joint Family system which cherishes the principle of mutual help and assistance and collective cultivation, is the example of living in co-operation. Here the members live as co-operative with each other and appreciate as well as tolerate each others viewpoint. They share the profits as well as the losses. Our panchayat system was the basis of our judicial and social system. It was with the help of panchayats that all panchayat, though sometimes not very much acceptable to both the parties, were accepted gladly. The panchayats also tried to morally uplift the people.

While tracing the history of co-operation in accent India; Srivastav G.P. says, historically speaking "Kula" was the first form of co-operative activity became the basis of ancient Indian Joint Family system.

Grama Sabhas in ancient India were nothing else but co-operative organizations which looked after social, economic and moral development of the voltage wells, lights and streets. Some of these sabhas worked as guilds and purchased, stored and sold items of production, tools seeds and equipments needed for day to day use in the village.

During the post Vedic era Sherni development, it was a multifarious organization which acted both as banker and merchant guild and worked on co-operative basis to look after the welfare of workers, merchant's traders and other categories of people. Quite it performed charitable functions as well.

The Modern Co-operative movement is organized for as a world movement emerged in the middle of the 19th Century. When men and women combined to find out an alternative to replace the exploitative tendencies and cut throat competition unleashed by industrial revolution. As a result against the new capitalistic order based on the doctrine of individualism, socialist ideas began to develop in this period. Robert Owen, Kari Mark and other opposed capitalism and competitive system. They opposed capitalism not only on the grounds of its injustice and inefficiency but also because of its ill- effect on human character and helplessness. They sought to create a new social moral world favorable to the promotion of good character and human happiness.

- ❖ **BRITAIN:** Britain is the home land of co-operative store movement. The first co-operative consumer store was started in England, named as "Rochdale Friendly co-operative Society" and was formed in 1844.
- ❖ **GERMANY:** Germany was the first country in the world to apply the principle of co-operation in the field of Credit. In 1850, he founded a society at Delitzsch, which was based on co-operative principle.
- ❖ **DENMARK:** Denmark is the homeland of agriculture co-operation in the world. First credit association was established in 1850 for advancing mortgage loans to the farmers. The first consumer co-operative was established in 1866.

- ❖ **JAPAN:** The co-operative movement in Japan started in the middle of the 19th century. Co-operative credit organization known as 'Koh' was the, first to be established. The 'Koh' type of credit organization originated during 14th century. The first consumer co-operative was established in 1879.
- ❖ **U.S.A.:** The co-operative movement in the U.S.A is quite ancient. Prior to the enactment of the co-operative law of 1865 the period is known in the history of the operative movement as that of associations.
- ❖ The U.S.A Government created Farm Credit Administration in 1933 for advancing loan, to farmers and their co-operatives.

DEVELOPMENT OF CO-OPERATIVE SUGAR INDUSTRY IN INDIA

1. "Production of sugar through co-operative processing of sugarcane was first attempted in India in 1933.
2. There were four co-operative 1935 on in Uttar Pradesh (Biswan) and the remaining three at Thummapala, Etikoppaka and Viyyuru in Andhra Pradesh.
3. In 1948 co-operative sugar factory at Pravaranagar, which was registered in Shrirampur Taluka (Now Rahata Taluka) of Ahmednagar District in Maharashtra. Due to the efforts of Prof. D.R.Gadgil and Padmashri Vitthalrao Vikhe Patil the factory could start its first crushing season in the year 1950-51.
4. In the year 2017-18 there are total 716* sugar factories out of which 347 are Private, 326 are co-operative and 43 are Public ltd.

Conclusion

As far as African Sugar industry is concern following are the observations

- 1) African states are blessed by natural resources, ample quantity of water resources.
- 2) World's largest agricultural land is available in African Continent.
- 3) India and African have historical relations since ancient days (1000 years).
- 4) Both the parties respect and appreciate each other in UN and the entire world forum.
- 5) Africa and India have common interest and struggle situations so complement each other and tries to help each other in all the ventures i.e. technology, agriculture, infrastructure, investment education and overall socio economic development.
- 6) Indian have vast experience in the sugar cane cultivation and production of sugar also. As India is the origin of sugar and sugar industries especially co-operative sugar industries.

- 7) In Africa already familiar with co-operative movement in the agriculture. 1000 hectares of land is under cultivation of sugar which is the raw material for the Private sugar factory.

Recommendation

Following points are the guidelines for the African countries;

- 1) African states which are divided in the sub continent (a group of states) should focus in co-operative movement.
- 2) It will help every stake holder (farmers, workers, supported industries, traders and respective government).
- 3) African countries should concentrate on co-operative sugar factories and its by products.
- 4) It will help to generate employment, major income source for everyone which will help them to achieve the goal of developed countries.
- 5) It will also help to utilize the natural resources and the huge agricultural land.
- 6) Generating the income source for everyone will maintain the social peace and work for everyone.
- 7) As India and Africa have healthy relations both the parties can come together to develop the co-operative sugar factories in African continent.

Scope and Limitation of the study

Scope

1. Overview of world sugar industries.
2. African Continent.
3. FDI in the African countries.
4. Cooperative is the focus Area.

Limitation

1. It is the desk research.
2. Tries to cover overall picture of the African continent.
3. Limitation of time and resources

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