



# livelihoods

*today and tomorrow*

July 2010

Trade Unions

Farmer Federations

Mutually Aided Cooperative Societies

## Institutions of Poor

Self Help Groups

Producer Companies

Water Users Associations

Credit Cooperatives

Giving Leaders and Leading Givers-10

Potato-18

Cooperatives of Women for Women-23

Rains – erratic, uneven, floods, drought ....! Inflation still persists!

We remembered growing Population - 'everyone counts' and 'open data for development'. We remembered Cooperatives and Collectives – seven principles of cooperatives, design principles ....

We also remembered Books on the Writers' Day – for books are our true masters. Writers, if genuine and articulate, can produce great masters. Writing has become e-writing, blogging, speaking, presenting, . 'Writing' improves transparency and 'nakedness' in one sense and offers a high-end livelihood for some.

It is established now that poor meet their needs when they have external facilitators, internal animators and institutions. Of course, they also need favourable policy environment. Poor consume individually basic items and in small quantities. They address their risks with more activities. They save in small livestock, products, chits, grain banks, in cash or kind in some pot, grain or hut. They borrow money even if it is costly. Because that is the intensity of the need! Yet times desperate! They need services. They need quality products at reasonable rates. They need them in time. They need to improve their bargaining power. They need to realize higher prices for their products that can come from pooling and value-addition. They can access services in bulk, with increased certainty, if they can get together. They need to demonstrate the ownership of demand and supply. They need to have visible collective power. Solidarity, policy advocacy, political economic compulsions work in favour of the poor, then.

Indian constitution provides for coming together (right to associate). Informal getting together for social needs and local needs is common. Self-help groups and joint liability groups are growing around thrift and credit. Movements of cooperatives around economic activities have been around on and off. Credit Cooperatives, Agriculture Cooperatives, Dairy Cooperatives, Weavers' Cooperatives, Craft Cooperatives, Labour Cooperatives, Consumer Cooperatives etc., are there across – some working well and some do not work. New cooperatives under Mutually-aided Cooperative Societies Act (and similar self-reliant cooperatives acts), with least interference from the state are growing. We have trade unions. We have associations. We have people's institutions registered under the Trust Act. We have cooperative banks. Nowadays we have producers' companies. We have tiers of collectives in their federal structures. Some emphasize participatory democracy. Some focus on representative systems. Some combine both. Some seek members taking care of various activities in the entity. Some seek volunteers. Some seek community professionals, resource persons and service providers as staff. Many hire staff, including high-end professionals, with clear distinction between governance and execution/operations. Some are leader-driven and some are system-driven. In any case, their centrality is the member.

We have more institutions than the households in the country. Strange! More than half the households are not able to access any institution. Further, many of them are not effective. Many of them do not have vision or clear plan of action. They may not have adequate capacities and resources. Transparency and accountability within them has to increase. Collective leadership has to be more member-centric. In this context, 'livelihoods' explored 'institutions (of the poor)'.

Al (Aloysius) Fernandez of MYRADA fame continues to lead self-help efforts, professional and resource support to people's institutions and development sector/livelihoods domain and inspire us. Cooperative Development Foundation (CDF) has been promoting cooperatives and cooperative friendly environment in the country. 'Navodayam' shows that the people need authentic knowledge that is relevant to them as experienced by them. Rural marketer, Pradeep Kashyap, is supporting efforts of marketing products and services in and out of rural areas and is augmenting rural markets/haats'. Allan schmid's 'Property, Power & Public Choice' discusses the intricacies of institutional interdependencies.

With deeper appreciation of the architecture of the institutions and way forward to augment it for meeting the needs of the poor and with you around with us in this, I remain.



G. Muralidhar

the 'livelihoods' team

**'livelihoods' team**

Editor-in-Chief	G Muralidhar
Principal Editor	T Nirmala
Senior Editor	K Bharathi
Working Editors	K Sridevi T Venkateshwarlu
Edit Associates	G Bhargava S Laxman B Madhusudhan V Muralidhar M Nilendu S Rekha A Uma M Vijaybhasker Srinivas R Vijay Kiran

**For Private Circulation only**

*For enquiries contact:*

**AKSHARA** Network for Development Support Services,

HIG II B-25 F-6, APHB Colony,  
Baghlingampally, Hyderabad - 500044

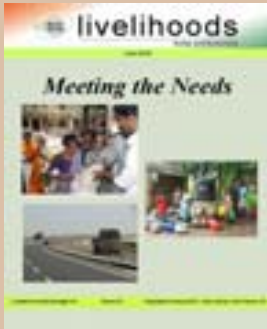
Mobile: 09951819345

www.aksharakriti.org;

E-mail: akshara@aksharakriti.org

<b>Cover Story</b>		12
<b>Institutions of Poor</b>		
Those who do not have access to institutions, those who do not have adequate capacities to deal with various institutions, those who can not influence the decision making processes inside the institutions that matter to their lives, can be called as poor. With this very reason many institutions of the poor for the poor are being promoted by many agencies and concerned individuals. 'livelihoods' looks into the institutions of the poor and the elements that make them effective/relevant.		
Framework for Livelihoods Promotion in India		21
Cooperatives of Women for Women		23
Dairy Cooperatives in India		25
Response		4
News		5
Legend	MYRADA's Aloysius Fernandez	8
Intervention	A New Dawn in Rural Journalism "Novodayam"	9
Perspectives	Giving Leaders and Leading Givers!	10
Interview	They will be with Me Until My Last Breath	17
Value Chain	Potato	18
Organization	Cooperative Development Foundation (CDF)	20
Policy	Direct Tax Code	27
The Contrasts	Private Travels	28
	Cycle Punctures	28
Worker	Rural Marketer - Pradeep Kashyap	29
Books	Property, Power & Public Choice	30
Resources	Cooperatives in India	31
Story	No Time for Worry	32
Trends	Growing Height of Indians	33
Case studies	Investment in Education Pays Poor Business Knowledge Costs Dearly	34
'Yoga'kshemam		35

# Response



A million thanks for sending livelihoods June issue to me. I have a quick read of entire issue. Kudos!!! to entire team of Akshara for an excellent and wonderful work. An invaluable commitment is visible in compiling such vast information and working on it to make it not only readable by the readers but also take interest in the issues brought out through the livelihoods magazine. Every article in the magazine is unique

by itself and worth reading and internalizing the issues. I felt so happy that after a long gap I have got access to an extremely well laid out book with luxurious menu of development.

Raghu KMS

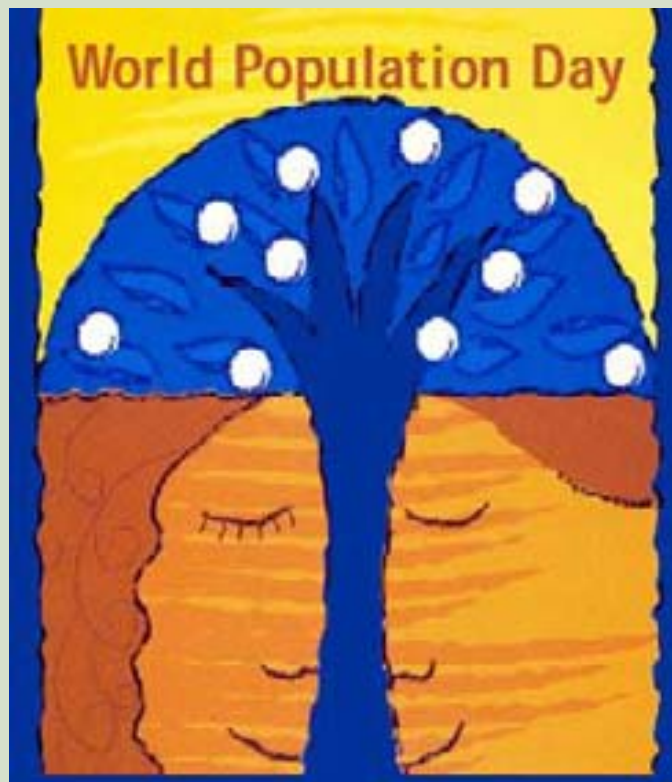
The livelihoods June issue brought out by yourself is a comprehensive digest that directly focus all the concerned to reach out to the unreached. My best compliments for your continued endeavour.

Ajeethan

Thanks for newsletter . It is inspiring. I appreciate the hard work put in for this extremely useful thought provoking endeavour. I like the social entrepreneurship articles . The photos are very well fitting to the theme. Wish you all the best and hope to see the next issue .

Prof. C.S.Singhal

## 11 July 2010 - World Population Day : Everyone Counts



Good demographic data is critical for planning schools, health systems and public transportation, for designing policies based on future population projections, for monitoring the effectiveness of service delivery and much more. This year World Population Day highlights the importance of data for development. The focus is on the 2010 round of the population and housing census, data analysis for development and UNFPA's lead role in population and development.

**Hybrid Bajra Seeds Given to Small Farmers:** The Rajasthan Government's Agriculture Department has supplied 18,968 quintals of hybrid bajra seeds to about 12.64 lakh farmers in eight districts registering a significant bajra production and started distribution of seed mini-kits with package of practices to the small and marginal farmers. Rajasthan State Government would spend Rs.27 crore on the supply of bajra seeds arranged by the State Seeds Corporation. Each small and marginal farmer will get 1.5 kg of seeds free of cost.

**Centre to Pay Rs. 250 Crore to Clean Up Toxic Waste in Bhopal:** Even as it pursues its case to make Dow Chemical pay for the clean-up of the Bhopal gas leak site, the Centre has decided to spend about Rs. 250 crore towards complete remediation. The entire process of decontaminating the one million tonnes of toxic waste at the site will be completed in two to three years.

**Plan to Adopt SRI Method on 36, 800 Hectares:** The Department of Agriculture, which has set a target of cultivating paddy on 92,000 hectares in Tirunelveli district of Tamil Nadu State during the current fiscal, has proposed to adopt System of Rice Intensification (SRI) technique on 36,800 hectares. During the last fiscal, the target (32,100) was exceeded as the revolutionary method was implemented on 32,257 hectares. Hence, the district registered a yield of 9.30 tonnes of paddy per hectare in the fields where SRI technique was followed while the quantum of harvest was only 7 tonnes per hectare in the fields cultivated under traditional method.

**Raw Silk Production Goes Up:** The country's raw silk production has gone up to 19,600 metric tonnes this year. The Central Sericulture Board has agreed to undertake off-season trial of cocoon cultivation in Himachal. The cross hybrid silk cocoons would be introduced soon in the hill State where more than 9,000 farmers are practising cocoon cultivation. The rates of the cocoon had been increased to Rs.450 per kg in dry form here and efforts are on to make it an economically viable,

sustainable and eco-friendly industry benefiting a large population of the State. Six districts of Bilaspur, Mandi, Kangra, Una, Hamirpur and Sirmaur in Himachal are identified with a high potential for sericulture development.

**Skill Training Programme for Poor Students:** A skill training programme sponsored by the Tamil Nadu Adi Dravida Housing and Development Corporation (TAHDCO) commenced for the under privileged students belonging to the Scheduled Caste and Scheduled Tribe communities in Pudukottai District recently. About 90 candidates who had completed Plus Two or Diploma are taking part in the programme that is being conducted at the Centre for Entrepreneurship Development (Tamil Nadu) under the Sarva Shiksha Abiyan scheme.

**Project on Linking of Irrigation Tanks Extended:** The project on linking of irrigation tanks and renovation of supply channels to all panchayat unions in Dindigul district except Kodaikanal was launched recently. Under this project 109-km supply channel would be rehabilitated and linked with 50 tanks. A total of 62-km channel was partially silted and 14-km channel massively damaged. This project will be implemented at an estimated cost of Rs.3.55 crore under Mahatma Gandhi National Rural Employment Guarantee scheme. It will generate 3.55 lakh man days providing jobs to lakhs of rural farm workers who have registered their names under MGNREGS. In Dindigul union alone, 28.27-km supply channel will be desilted and rehabilitated. On completion of this project, rural people, particularly farmers, will reap maximum benefits. A total of 215 million cubic feet of water will be stored in these renovated tanks and 1,200 open wells and 3,750 bore wells will be recharged.

**Centre to Release 5 Million Tonnes of Wheat:** The Centre will release five million tonnes of wheat from its pool in the open market to enhance availability and maintain a check on prices. The wheat, to be released in July, would be available directly from depots for traders and retail buyers at a reserved price of approximately Rs.12.54 a kg.

Wheat is selling in Delhi at about Rs.14 a kg.

**SHGs to Take Over Food Supply to Anganwadis in Karnataka:** Acting on complaints of substandard food being supplied by private agencies to anganwadi centres, the Ministry of Women and Child Welfare of Karnataka state has decided to hand over the job to self-help groups (SHGs). Government had decided to rope in Stree Shakti groups to undertake the job of supplying nutritious food to the anganwadis. A team of experts had been dispatched to Andhra Pradesh, Tamil Nadu and Kerala to study the system that had been successfully implemented there.

**NABARD to Release Rs. 710 Crore to Karnataka:** The National Bank for Agriculture and Rural Development (NABARD) will release a Rs. 710-crore loan under the Rural Infrastructure Development Fund (RIDF) XVI to the State of Karnataka in 2010-11. As a first instalment, the NABARD has sanctioned a loan of Rs. 282.82 crore for implementing various rural infrastructure projects. The fund would be utilised for various projects in 14 flood-hit districts, including a bridge project across river Thungabadra in Raichur district of Karnataka.

**Fevers Rampant in Visakhapatnam:** Fevers are rampant in villages of all mandals of Visakhapatnam agency area of Andhra Pradesh and there is a regular stream of tribal patients coming to hospitals, while many others lie lifeless looking forward to medical aid. Malaria cases reported recently from two villages in Paderu mandal and one in Pedabylu area. Medical camps were being conducted at Sujankota and Kadiri villages in Munchingput area. Chittamgondi and Devuduvala villages in Araku mandal, also had people down with fever, but no help in sight.

**SBI to Extend Rs. 100-cr. Loan to Women SHGs:** The State Bank of India in Krishnagiri and Dharmapuri districts of Tamil Nadu has planned to disburse Rs. 100-crore loan to women Self-Help Groups attached to the Krishnagiri-based Non-Governmental Organisation, the Integrated Village Development Programme (IVDP), for

the fiscal 2010-11. The bank was extending loan to 2,400 SHGs through IVDP.

**Orissa Announces Weather-Based Crop Insurance:** Orissa State Government has decided to implement the Weather- Based Crop Insurance Scheme (WBCIS) on pilot basis for loanee and non-loanee farmers in 19 blocks under three districts during this kharif crop. Farmers in 8 blocks of Bolangir district, 6 blocks of Baragarh and 5 blocks of Nuapada district will take advantage of the WBCIS on paddy crop only. The scheme will be compulsory for loanee farmers and optional for non-loanee farmers. However, the government has made it clear that areas where WBCIS will be implemented, National Agricultural Insurance Scheme (NAIS) will not be available to loanee farmers, but non-loanee farmers will have options of both NAIS and WBCIS. According to Cooperation Department, the pre-declared limit of insurance coverage will be Rs.12,000 per hectare.

**Rs.110 Crore for Paddy Development:** The Agriculture Department is taking up paddy development programmes with an outlay of Rs.110 crore this year in Thiruvananthapuram. An additional 14,000 hectares of fallow land and 12,000 hectares of dry land were proposed to be brought under paddy cultivation this year. Paddy development was proposed to be carried out under the food security scheme, sustained paddy development programme, the Rashtriya Krishi Vikas Yojana and other programmes. Besides the Department, the Kerala Agriculture University and local bodies will be involved in the programmes.

**Tamil Nadu Gets Highest Allocation of Funds Under Dam Project:** Tamil Nadu has been given the highest allocation of \$155.31 million (approximately Rs.750 crore) under the World Bank-assisted programme of Dam Rehabilitation and Improvement Project (DRIP). The project, covering Kerala, Madhya Pradesh, Orissa and Tamil Nadu, is proposed to be implemented in six years. It aims at restoring the capacity of dams,

achieving effective utilisation of stored water and managing the long-term performance of the dams. The DRIP has three main components — rehabilitation and improvement of dams and associated appurtenances, strengthening of dam safety institutions and project management. The total project cost is \$437.5 crore (Rs.2,100 crore). In terms of the number of dams too, Tamil Nadu accounts for 104 out of 223 dams to be taken up under the project. The State has a total of 108 dams. Thirty-one dams in Kerala, 50 in Madhya Pradesh and 38 in Orissa have been included in the project.

**Protective Layer for Tribal Land:** The Left Front government has thrown a protective ring around land owned by tribals in West Bengal. Under the West Bengal Land Reforms (Amendment) Bill 2010, if tribal land is to be converted into commercial spaces like stone mines and tea gardens, an alternative plot of equal size has to be given to the tribals concerned. The bill also grants ownership rights to people who have been staying on occupied land. The ceiling is 5 cottahs (rural) and 2 cottahs (urban). There are land labourers who have been staying on farmland; they will now enjoy these rights. So far, there has been a provision of imposing penalty in the event of a change in a plot's character. Now, the landless who have been occupying the land will get the ownership rights. The bill will also allow the state to take away land meant for mills, factories, workshops and tea gardens, which are lying unused.

**Scientists Train Farmers in Their Farms:** Bihar state government has started 'kisan pathshala' (farm school) at the field level across the state to educate the farmers about the modern techniques of farming, pest management and assess the yield from the farm after use of hybrid seeds. The 'pathshalas' have been started at the block level across the state under the extension programme of the district level Krishi Vigyan Kendra (KVKs) for disseminating knowledge of modern farming to farmers on their farms. Around 136 agriculture scientists posted at the 34 KVKs in the state have been deployed for running

'pathshalas' by visiting the agriculture farms to train the farmers directly about modern farming methods. Field training programme of the farmers has also been christened as 'Seed to Seed Programme' which entails imparting training to them in sowing seeds, integrated pest management and harvesting of grains (seeds).

**Arogya Kavacha-29,764 Cases in Two Years:** The round-the-clock emergency response service, Arogya Kavacha (108), operated by the State Government of Karnataka in partnership with Emergency Management Research Institute (EMRI), has handled a whopping 29,764 cases in a span of two years in Mysore district. Arogya Kavacha is a fully-equipped state-of-the-art ambulance, the response time of which is 20 minutes in urban areas and 30 minutes in rural areas. 26 ambulances were in operation in the district and most of them were parked in the hubli headquarters. A total of 65 drivers and 65 paramedical staff are working under the project.

**NABARD to Promote Organic Farming:** The National Bank for Agriculture and Rural Development (NABARD) proposes to promote organic farming in the State of Kerala through banks and non-governmental organisations (NGOs). In the first phase, the initiative will integrate the activities of over 10,000 farmers in organic farming. A meeting of NGO stakeholders convened recently has decided to publish a White Paper on the potential of organic farming in Kerala. NABARD will implement the project in seven districts initially, in association with the Kerala Social Services forum, an umbrella NGO under which 36 NGOs are affiliated.

**NRLM Covers 6.5 Crore Rural Poor Households of the Country:** The Rural Development & Panchayat Raj's restructuring of existing Centrally sponsored Scheme "Swarnjayanti Gram Swarozgar Yojana" (SGSY) as "National Rural Livelihood Mission" (NRLM) will address comprehensively the needs of 6.5 crore rural poor households of the country. This programme proposes to

bring substantial changes in the lives of the rural poor by providing self employment and wage employment and thereby appreciable increase in income necessary for sustainable livelihoods. It was long felt need to tackle the rural poverty in a time bound manner through Mission mode approach. About 6.5 crore households have to be covered under the Mission. Already 2 crore rural BPL households had been brought under the ambit of SHGs network which need to be further strengthened. Remaining 4.5 crore rural BPL households will be organized into SHGs in the next 5 years. NRLM works closely with NREGA and National Skill Development Mission. Training and capacity building will be the priority areas of the Mission to enhance credit worthiness and credit absorption capacity of the rural poor entering into self employment and skill development of rural youth for placement in various sectors having regular employment opportunity in semi-urban and urban growth centres. The plan is to reach out 1.0 crore youth in seven years. Provision for revolving fund and capital subsidy have also been enhanced. Interest on loans taken from the financial institutions will be reimbursed to SHGs based on prompt repayment. This is applicable till a member has cumulatively taken loans upto Rs.1.0 lakh.

**Pension Scheme Planned:** The long-felt need for a sound social security measure to low-income groups would soon become a reality in the State of Andhra Pradesh with the introduction of a pension scheme for people who enrolled themselves as members of Andhra Pradesh Building and Other Construction Workers Welfare Board (APBOCWFB). On behalf of the State government, the board would shortly sign an agreement with the Pension Fund Regulatory and Development Authority of India to jointly implement a centrally-sponsored pension scheme for people in the age group of 18 – 60 who have low incomes. The programme would be launched on August 1 or, in case of exigencies, definitely on August 15. Centre's contribution of Rs. 1,000 per annum to all workers who became members of

New Pension Scheme (NPS-lite). The scheme is an extension of NPS which opened for public from May 2009. The State government contribution will run only up to 50 years age of members. Its objective was to create a monthly pension of Rs. 1,000 to every member. The combined participation of Central and State governments as also members' annual contribution at the rate of Rs. 200 for at least 15 years is expected to yield the desired pension of Rs. 1,000 per month after the age of 60 years. Thus, the board would create permanent pension in addition to the existing accident, maternity and sickness benefit policies to its members.

**World Bank to Lend \$407 mn for Microfinance, Quality Stats:** The World Bank and India recently signed two agreements for a total loan of \$407 million to scale up microfinance services in unbanked areas and improve capacity to generate quality statistics. The assisted projects are 'Scaling up Sustainable and Responsible Microfinance Project' (\$300 million loan) and 'India Statistical Strengthening Project' (\$107 million loan), the government said in a statement. "The objective of the project is to scale up access to sustainable microfinance services to the financially excluded, particularly in under-served areas of India," it said. The project will be implemented by the Small Industries Development Bank of India (SIDBI) over a period of 5 years. SIDBI will use the funding for on-lending to microfinance institutions (MFIs). The funding, among other things, will enable MFIs to leverage private commercial funds to on-lend larger amounts to the under-served.

**Flood Extensively Damages Crops in Haryana, Punjab:** Freshly sown paddy crop in 100,000 acres of fertile agricultural land has been destroyed in nearly four days of flood fury in some districts of Haryana and Punjab. Nearly 250 villages in these districts has been affected by flood water. Areas where paddy and maize crops are grown have been affected due to stagnant flood water. Eleven deaths have been reported so far six in Punjab and five in Haryana with 4-5 people

missing after being washed away in both states. Heavy rain followed by breaches in rivers and irrigation canals in some areas of both states caused flooding recently.

**Over Rs.18-Lakh Subsidy Given to Prawn Farmers:** Subsidies worth Rs.18,43,800 for prawn culturists were distributed by Nagapattinam Collector recently. Small farmers with two hectares or below could avail of subsidy of about Rs.60,000 per hectare to cover initial cost of establishing the farm. The subsidies were part of an allotment of Rs.18.44 lakh for Nagapattinam district for the fiscal year of 2009-10. Under this, over 29 prawn culturists with a cumulative of 30.7 hectares were given subsidies. The subsidy component that has been conceived by the government for promotion of legal prawn farming, is shared by the Central and the State governments on a ratio of 75 per cent and 25 per cent respectively.

**Funds for Cooperative Societies in Rajasthan:** The Rajasthan Government will transfer funds under the ongoing Integrated Cooperative Development Project to 13 districts within a month for development of cooperative societies through more resources and construction of various facilities to enable them to render quality services to the public at large. The project worth Rs.135.35 crore was running into its fourth year in eight districts, while work valued at Rs.78.12 crore had been taken up this year in five districts of the State. The total cost of the project in the State, supported by the National Cooperative Development Corporation, is Rs.213.48 crore. The financial proposals for the project would be prepared and funds transferred to cooperative institutions within a month. The project funds are being utilised as margin money and share money as well as for computerisation, buying furniture and fixtures and construction of storehouses, departmental stores and supermarkets and for strengthening the infrastructure of cooperative societies. Rs.138 crore had been provided so far to the 13 districts where the project was being implemented. ■

## MYRADA's Aloysius Fernandez

Starting his development journey in MYRADA with the resettlement of refugees, Aloysius Fernandez created an alternative robust model for poverty eradication which is emulated by many development workers and organizations across the country and the world.

Fernandez has a Master of Arts from the University of Karnataka, a Special Diploma in Development Studies from the University of Oxford and a Diploma in Sociology and Research Methodology from the University of Louvain, Belgium. He started his modest journey as a development worker in 1971 during the Bangladesh War where he was running a refugee program. It is then that he discovered the poverty and the suffering of the poor which changed his life. Then he went abroad to work as a Programme Consultant to the Canadian International Development Agency (CIDA) and on his return to India, he pledged to raise 1 million people above the poverty line. In pursuance of his mission he joined MYRADA (Mysore Resettlement And Development Agency was primarily involved in the resettlement of Tibetan refugees) as a deputy director. With his arrival a different wind started to blow in the organization. He was given a rather free hand, especially when the first executive director, Bill Davinson, moved to oversee MYRADA's projects in Meghalaya. He became the second executive director after Bill's death a few years later.

Aloysius Fernandez played an important role in identifying the signals emerging from the field as an alternative to working with cooperatives and leading to appropriate institution building. When a cooperative society in one of MYRADA's projects' broke up, he proposed its members to form a group and repay their loans to the group. These gradually evolved into Self Help Groups (SHG), and later Self-Help Affinity Groups (SAG), which are informally, organized small, homogeneous groups focusing initially on savings and credit. Around 1987, group formations have spread to all MYRADA projects. It was only at the end of the eighties or early nineties that Aloysius Fernandez felt confident enough to start talking to others about his approach.

Further, Fernandez wanted to run SHGs as a successful alternative strategy for poverty alleviation and to really influence policy, so he got NABARD into the picture. The reason why NABARD was brought in was not only because of money, but because he felt that with NABARD in the picture he would have a much broader vision and in turn influence RBI in changing its policy on micro-finance. This proved to be a strategic move. Apart from influencing the RBI to develop guidelines for Self-Help Groups, NABARD also provided MYRADA with a fund for loans to groups and furthermore paid for exposure programmes for bankers. The latter proved to be a very effective strategy. By 1990, the banks started to finance Self-Help Groups, which was a major breakthrough. Aloysius Fernandez gradually took up other development activities like empowering women and supporting children; Management of micro-watersheds; Participatory strategies in regeneration of arid lands and in forestry management; Resettlement in self-reliant communities of released bonded labourers and refugees;

District strategy for networking, capacity building and enhancing the quality and outreach of field activities; Training; Strategic support to programmes in other countries; Health; Education; Rural and urban financial services through the Sanghamitra, a rural financial services organization floated by him.

Further, he and his MYRADA went to Myanmar, where he facilitated the formation of 1000 groups, the same for Indonesia, 5000 groups in Indonesia. 500 groups in East Timor and 300 groups in Iran. And many more groups in Bangladesh and Sri Lanka.

Fernandez has conducted training programs for Government and development banks and has formulated participation strategies and methodologies in relation to all aspects of program implementation (planning, budgeting, implementation and management) in a range of sectors but most commonly for micro-credit, micro-watershed management, and arid zone development and public health programs. Fernandez has also undertaken extensive consultancy work for the World Bank, DFID, CIDA and IFAD in a range of programs with a focus on natural resource management, rural development and micro-credit. Fernandez's publications have covered the topics of microcredit, natural resource management and rural management systems.

Aloysius Fernandez sits/sat as chairman and/or board member of several major NGOs including AME, PRADAN (India) and PADEK (Cambodia). He is also a member of the advisory committee of NABARD, the trustee of the Gramin Vikas Trust established by KRIBHCO and DFID and adviser to various Governmental committees in several states of India. Fernandez was the founder of several NGOs and development organizations in India, and has formulated and supported microcredit programs in Indonesia and Myanmar and has designed micro-credit programs for International Fund for Agricultural Development) IFAD in 9 Indian states.

In pursuance of his pledge to raise 1 million people above the poverty line which he not only achieved but he also created an alternative robust model for poverty eradication. In other words he created institutions of the poor i.e. SAGs/SHGs and their federations. Following this model with slight variation states like Kerala and Andhra Pradesh has done some remarkable work in alleviating poverty. At present he is the Director of NABARD Financial Services and elected as Chairman of the Board from January 18, 2010. In recognition of his services to the poor, he was conferred with the prestigious Padmashri title by the Government of India in the year 2000. ■





## A New Dawn in Rural Journalism- “Navodayam”

Voice of the poor is always unheard and their issues are rarely represented. For the marginalized communities it is very important to make their voice heard. Navodayam, a community magazine managed by SHG women of Chittoor district of Andhra Pradesh, seems to offer a right way of not only presenting the issues of poor and vulnerable communities but also an important path to empower the rural women.

In Chittoor district of Andhra Pradesh, grassroots journalism is gaining momentum. Navodayam (which means ‘new dawn’ in Telugu) which was launched on August 15, 2001, in Chittoor district as a government initiative under District Poverty Initiatives Program to create awareness on development issues has now turned into a publication which is completely owned and managed by rural women themselves.

After implementing the DPIIP project for some months in Chittoor district, during one of the DPMU review meetings, it was felt that the essence of the project activities should be taken to the communities on a regular basis to serve as a source of inspiration for the others to follow. It is at this stage that ‘Navodayam’ took birth, a newsletter started with the purpose of putting into action ‘**Information for Empowerment**’. The four major aims Navodayam has laid out for itself are – (a) to

amplify the voice of the rural poor, (b) to put rural women in charge of news coverage, (c) to place information within the reach of the rural poor, and (d) to adapt journalism as a tool for empowerment of women. Though the project is totally sponsored by the government, the women involved with the newsletter have been able to retain their independence and there is no editorial interference from the government. What makes Navodayam distinct from other magazines is it is the first of its kind news letter that is completely managed by the poor, not much educated women.

Launched as a quarterly newsletter in Telugu with just eight pages, it has grown to a 24-page monthly on popular demand. Rural women, mostly Dalits, handle all the reporting, writing, editing, layout, artwork, photography and even circulation. More than 60 reporters have worked for the magazine so far and it currently has 10 staff reporters and 20 contributors. The magazine prints 20,000 copies and has a readership of more than 200,000 - much more than the state wide readership figures of some of the leading AP dailies. A system of annual subscription was then promoted and the Community Coordinators and *Sanghamitras* (village level activists of Indira Kranthi patham program) were instrumental in motivating the SHGs to pay the subscription. The

reporters also facilitated annual subscription to the news magazine by the Line Departments and NGOs. The reporters approached all the line departments in the district and managed to secure advertisements for publication in the newsletter. The rates were earlier worked out by the team. The amount thus collected, contributed to the corpus.

A core committee had been formed from among the reporters to look into the technical aspects of publishing the newsletter, including financial management. The committee now manages the total budget of the newsletter. In order to make the magazine more sustainable the Zilla Samakhya (District level federation of SHGs) was called in for its services. As a result, a Navodayam Planning Committee was formed with 9 members. While 6 of them were the reporters, the remaining three were representatives of the Zilla Samakhya (ZS). The president of the ZS also acts as the editor of the Navodayam. Further, strengthening the professionalism of reporters is an important approach for the sustainability of the newsletter. The strategy, therefore, included networking with the regional newspapers which served as training ground. Further, the reporters were also given an opportunity to contribute to these newspapers, items specific to these rural communities. The tie-up grew stronger over time and the linkages are well established. The circulation boys of these newspapers also deliver the newsletters to the VOs every month, and at no cost.

Since the electronic media takes its own time to reach the village population, Navodayam has trained seven women in a 10 months period on video journalism and these women have made over 100 documentary films, providing video clips for major television networks. They made a video film on child marriage – rampant in some pockets – and showed this to the villagers. Women of self-help groups who have taken their children out of school to join in the bandwagon of child labour have been persuaded by the Navodayam women to bring the children back from their labour camps and put them back to school. The impact of the magazine is real and visible. Mainly circulated among the women, each reader of this monthly ensures that her husband and the rest of the family read it too. The reporters of Navodayam swing into action whenever they get news about any social evil and actually carry out some good work while reporting it.

Navodayam Community Magazine (Telugu) won the UNFPA Laadli Media Special Jury Award for the year 2009. Many initiatives using other media like radios and films etc., have sprung up with the inspiration from successful community magazines like Navodayam. Navodayam continues to be the voice of the poor. ■



# Giving Leaders and Leading Givers!

**Vagaries of monsoon are around!**

**National Advisory Council recommends Food Security Draft Bill!**

As we live the month, International Day of Cooperatives (First Saturday of July – 3 July), Writers' Day (8 July), and World Population Day (11 July) pass by. World Population Day this year emphasized 'everyone counts' and 'open data' for development. Hope they become real soon in this our world. International Cooperative Day and Writers' Day did go unnoticed! For us, cooperative or collective action is religion. Writing (documenting, analysing and articulating/disseminating) is important for many a development worker.



As I write this, Union Cabinet has approved the symbol for Indian Currency (Rupee), fifth currency in the world to have a symbol! What does it do for the poor, I do not know yet.

This month explored the continuum of employment – wage à job à self à enterprise. Of course, as usual, the month continued to focus on understanding the architecture of the institutions of the poor and their dedicated support institutions.

Building visioning and plans for founding the platforms for the poor to realize their potential through creating and nurturing this institutional architecture and network supplemented/complemented it.

National Rural Livelihoods Mission has begun to get ready with a Foundation Workshop in June for the core teams for 14 states. The states are getting ready to roll out their state and district rural livelihoods missions. Meanwhile, Union Cabinet has approved the NRLM and expected to launch either on 15 August or 2 October. Some states have begun to launch their pilots coinciding with the national launch of NRLM.

It appears that two ideas are here to stay – SHGs around thrift and credit and Micro-finance institutions providing credit to people. This is because the credit needs of the poor are

huge and multiple and the needs vary from locale to locale, season to season, time to time and household to household. Each poor is articulating the need for 5-10 loans simultaneously. Even in mature regions, the people talk about unfulfilled credit need. These need to be tempered as savings and corpus increases with the institutions of the poor. The MFIs need to emphasize MF+. The institutions of the poor have to add collectivization around consumption, food, fodder, health, cattle, loan and life security, and economic activities. They need to promote second generation collectives around livelihoods.

Importantly, there is a need to generate ideas that offer savings, increase employment, diversify risks and add incomes for investing the funds available on credit. This gap is emerging as the critical gap once they move on the hierarchy of the needs of credit from consumption/survival → high cost debt swap → meeting credit needs of existing activities → credit needs for enhancing the scope and range of existing activities → reducing expenditures without loss of quality of life → risk reduction → social development – health, education etc. → new livelihoods activities. Someone else has put this,

differently but aptly: Consumption → Effectivization (existing livelihoods) → Enhancement (deepening and increasing the chain of existing livelihoods) → Diversification (more livelihoods, often unrelated).

It is now established that the household and institutions need to have vision and plans to realise vision. The caveat is that this vision and these plans are revisable with additional insights that arrive in due course of time.

The way forward in reducing poverty includes all three - Fish à Fishing à Meta-fishing. This is to say that the poor needs fish now to survive (short-term benefits), fishing skill, along with tools and instruments, so that they catch fish on their own (medium-term benefits) and meta-fishing so that they look beyond fish, identify opportunities and tap the opportunities on their own.

While the institutional architecture emerges, the need to look at the unemployed youth surfaces. This cannot be ignored. Here, we realize that these people seek employment – wage employment, job employment, self-employment, and entrepreneurial employment. Can we recognise who fits into what? Do we know how many people are seeking employment? Who are they? What do they want exactly?

We see the existence, amongst them, range of educational levels, 3R (reading, writing and arithmetic) abilities, skill and experience spectrum. We see them pursuing traditional/existing activities and seeking out new activities and we see them in rural areas wanting to urban areas. Further, their

## Perspectives

G. Muralidhar



competencies are not the same. Of course, they would like to exercise choices. Aptitude and Ability matter in making choices. All skills do not lead to equal employability. Skill Development should not be limited to technical skill(s). More important than the technical skills are the soft skills. These are required for any work. Knowledge cannot be ignored. Wage employed may need transition from a casual wage earner to a skilled labour. Of some tools exist, the wage may increase further. The issue may be increasing the workdays. For the job-employed oriented person, the issue is placement link. Where is the placement? How much is the remuneration (pay)? Does it cover the costs of living and remittance to native place?

What are the Post-placement stages – training again, apprentice ship, internship, probation? What is job security? What are the growth prospects? All these matter. What are the costs of skilling? Who puts the bill? What about the living costs? What about the stipend till the first pay cheque? What about the costs of relocation, if any? What are the terms of appointment?

Bond? They need to be introduced the alumni/best practitioners. They can inspire them. How effective are the trainers? What is the reputation of the training institutes? We need to remember that the poor cannot be served poorly.

They also may need to collectivise.

Some people need to be service providers. Some may have to take up jobs in people's collectives. Some may have to become self-employed. Do we facilitate all these? It may mean funds, time and loans. Handholding support, establishment costs, business development skills may all need to flow in. Can we think of labour, skill labour exchanges or skill exchanges? Can we build more responsive labour adda, skill adda or market place? We should remember that some are already in the business of offering labour, skills or services. How do we integrate them into all this?

How do we categorise people and select them for employment continuum of wage, job and self-employment? If this is tough, identifying entrepreneurs who build micro-enterprises and employ some people can be further tough. Thus, selection and counselling becomes key first step. We know entrepreneur is an inherent behaviour. Entrepreneur pursues opportunities relentlessly, with extremely limited resources. Entrepreneurs typically display the competencies – Vision; Initiative, Results Orientation, Innovation; Critical Information Seeking, Inter-personal Awareness, Adaptability; Tenacity, Self-control, Strategic Influencing, Concern with Impact, Ability to Learn. Enterprises seek profit and growth. We need to handhold till they succeed, knowing fully well that one in three/four will only succeed.

Some statistics on enterprises are revealing:

- \* 55% (1 person); 32% (2 person)
- \* 46% (carried out within a household; 20% (mobile)
- \* 98% (have no accounts)
- \* 90% (unregistered)
- \* 44% (suffer from shortage of capital)
- \* 67% (stagnant)

This is not enough. We are also talking about collective enterprises – collective ownership, collective workmanship

... They may need institutional forms. We are also able to think about the SHGs and their federations taking up collective activities. We are also visualizing hybrid –individual and collective activity-based enterprises.

If we add push and pull migration in this, the problem gets compounded. Do we start in the source or in the destination?

Of course, all employment is about enhancing knowledge, skills, tools and resources so that it results in money. Then you need to give – give knowledge, skills, tools, resources. If you give, you get more of them to give. Interesting law isn't it? Give to give to give.

Leaders are not enough. We need givers. We need knowledge workers to give knowledge. We need skilled practitioners to give skills. We need tool providers to give tools. We need resourceful to give resources – natural, physical, social, human, financial and spiritual. They need to give to give. We need context changers to give more conducive context for increased prosperity for the poor. We need service providers to offer services. We need happy people to give happiness. We need leaders who lead the givers in giving. We need givers leading the leaders. We need institutions that generate more leaders who give time, energy and ability. We need training institutes that build participants to give. We need dedicated facilitators who give support. We need internal animators who give their time, energy and ability. We need meta-leaders who build the givers – time, energy and ability so that the participants share knowledge, skills and resources and context changes.

We need to give ourselves to build giving leaders and leading givers. Double quick. Let us give time, energy and resources for building more capable human resources that give to the potential of the poor; for building ideas for investing resources and building enterprises. Let us give. I am sure more and more best minds surely give more and more. Soon! They have no option.

**Let us build the giving collective leadership that gives all that is required. Let us give towards this. ■**

**How do we categorise people and select them for employment continuum of wage, job and self-employment? If this is tough, identifying entrepreneurs who build micro-enterprises and employ some people can be further tough.**

# Institutions of Poor

Those who do not have access to institutions, those who do not have adequate capacities to deal with various institutions, those who can not influence the decision making processes inside the institutions that matter to their lives, can be called as poor. With this very reason many institutions of the poor are being promoted by many agencies and concerned individuals. The institutions of the poor in the country are moving in the direction of influencing all the other formal and informal institutions to become pro-poor in all aspects apart from creating models for poverty eradication. 'livelihoods' looks into the institutions of the poor and the elements that make them the institutions 'for' the poor.



The poor are defined in myriad ways. Poverty has as many dimensions as life itself has. So, no surprise to see so many definitions. Poverty existed in previous forms of society and it was always related to issues of justice but in the past it was also related to issues of Progress. But in modern era, which we can call, industrial and technological era which boasts of higher productivity and of the capacity for abundant wealth generation, Poverty has simply no justification whatsoever.

The current era has some peculiar characteristics that separate it from the previous ones.

- \* In the modern era, societies are highly stratified. The spheres of economic, political and societal processes, though interdependent, assume a kind of relative autonomy from each other.
- \* These processes spring forth various institutions within each sphere to facilitate and reproduce these processes.
- \* There are also institutions that mediate among the spheres.
- \* In modern era, a large part of life world is subjugated by the system and a complex web of institutions engulfs social system.
- \* Modern era saw the growing preeminence of the bureaucrats who run the state and the technocrats who run various institutions.
- \* Modern era produces an unresolvable conflict between the process of ever growing democratization of society by means of universal education, universal suffrage on the one hand and the process of bureaucratization and technocratization of the society on the other.
- \* In modern era, the life chances of people get increasingly linked to the access they have to various institutions.

Considering above said characteristics, we can now attempt to define the poor from the perspective of institutions.

Those who do not have access to institutions, those who do not have adequate capacities to deal with various

institutions, those who can not influence the decision making processes inside the institutions that matter to their lives, can be called to be living in the ambit of a condition called poverty.

Institutions are rules, enforcement and mechanisms, and organizations. Distinct from policies, institutions are the rules, including behavioural norms, by which agents interact and the organizations that implement rules and codes of conduct to achieve desired outcomes. Policies affect which institutions evolve-but institutions too affect which policies are adopted. Institutional structure affects behaviour. But behaviour may also change within existing institutional structures.

Every institution justifies its existence citing a function it plays or a service it provides. In a modern day democracy, many institutions claim to exist only to serve the vast majority of the masses. But a mere cursory look at them busts this carefully cultivated and widely circulated myth. Post independent India witnessed a series of social movements. Tribals, dalits, women, ethnic minorities, religious minorities, backward regions, and marginalized groups, like the disabled, displaced, and sexual minorities have got mobilized into waves of struggles against Indian state machinery, against barbaric social institutions and against highly discriminatory and elitist market mechanisms and forces. Despite great variety of slogans and mind boggling diversity of ideologies involved in all these struggles one grievance common to most of them can be discerned. That is "Modern institutions are inaccessible to vast majority of the poor. They are managed either by wooden headed bureaucrats or elitist technocrats who have utter disregard for the needs of the poor."

As a response to this social unrest, many well meaning individuals/organizations started building alternative institutions for the poor. A network of institutions starting from the household level and extending to relatives, neighbours, SHGs and their federations, civil society organizations, financial institutions, collectives, government institutions etc are necessary to meet the variety of needs of the poor. The needs can range from cultural, solidarity and spiritual needs, to the needs in the economic and political milieu. These institutions need to be dynamic to accommodate the changing needs of the poor. Many initiatives started and many new institutions sprang up. Significant ones are trade unions, cooperatives, Self help groups, producer companies and federations. They are distinct in their structures and also the purpose for which they are formed. These also define who can be part of such institutions and their roles. Mostly the reason behind formation of such institutions is on an issue affecting poor the most. In any free society, the importance of autonomous institutions and the desirability of voluntary partnership and shared activities can never be lost sight of.

Founding Fathers of the Indian Constitution have with great forethought incorporated the right to form association as a fundamental right in Article 19 (I) (c) with Constitutional protection. However, this right is made subject to any law



imposing reasonable restrictions in the interests of the sovereignty and integrity of India or public order. It is this Article which guarantees constitutional protection for Trade and Labour Unions.

Institutions can be formal or informal. Formal institutions include organisations/ departments following rules and procedures designed for enforcing policies and laws enacted by government, rules codified and adopted by private institutions, and public and private organizations operating under public law. Informal institutions, often operating outside the formal legal system, reflect unwritten codes of social conduct. Examples include religion, caste, marriage, land inheritance norms and money lenders using social networks to determine creditworthiness based on the reputation of the agents involved.

Not all these institutions are same. They have different vision, mission, belief and way of functioning. CBOs, trade unions, cooperatives, producer companies etc are few models that one get to see popularly in places where poor live.

Initiatives in all these areas, taken up by individuals and civil society organizations produced immense wealth of collective experience which steered the activists, professionals and policy makers into a paradigmatic shift in the perception regarding the significance and shortcomings of the various institutions in alleviating poverty.

These successful initiatives created an illusion, though for a while, that these small and local models can substitute the formal institutions, which is farthest from truth. The social movements and these local models have generated valuable insights giving rise to new development discourse. The concepts of people's oriented development and people's participation and empowerment have come to centre stage. Meanwhile, the inequality and disparity between South and North on a global scale became a big political flash point. The developed North came under increasing criticism that it exploited the resource rich South through an asymmetric global economic order. The South started demanding its due share in the global development. Apart from the philanthropic aid from the North, huge chunks of official aid started pouring into the South. Starting from multilateral organizations like UN and ILO, country specific donor agencies like USAID, DFID etc started supporting various development initiatives in the so called Third World Countries.

It created a new and large development sector attracting professionals from various disciplines like sociology, social work, management, engineering, geology, environmental studies etc. The infusion of these professionals led to design related innovations in many alternative institutions. From 80's onwards various government agencies started receiving the official aid from the West . Many ideas, initiatives, innovations

and model institutions developed by NGO sector were adopted and implemented at an unprecedented scale. Experiences gained in different countries, different cultural settings and different contexts became available to development practitioners. Hence any development work now cannot begin without considering the institutions of the people. Institution building has become a specialized area in development sector. But unfortunately 'institution building' has been reduced to forming Self Help Groups (SHGs). Though SHG is basic building block for various institutions, by itself it is not a full fledged institution. Institutions promoting thrift and credit among the poor, though an important initiative were eulogized as the archetype of people's institution. Mediocrity in the name of participation, Inefficiency and non accountability in the name of process orientation plagued these institutions .On the other hand, elite managerialism and careerism slowly gained upper hand robbing development work of it's activist spirit undermining the governing structures of the peoples'

*Any development work now cannot begin without considering the institutions of the people. Institution building has become a specialized area in development sector. But unfortunately 'institution building' has been reduced to forming Self Help Groups (SHGs).*

institutions.

Despite all these problems and challenges, a fact is undisputable that a great number of and a great variety of institutions do exist today to cater to the various needs of the poor. The below given list is not exhaustive but gives an idea of the wide variety of the institutions required to address the issues of the poor.

**Worker's rights:** There are many associations and unions in the country that are promoted to safe guard the interest of the workers like the wages, safe working conditions, basic amenities and housing etc. Through collective strength, trade unions in the country strive to protect and advance in terms and conditions of employment of its members, negotiate and settle terms and conditions of employment and remuneration and promote the economic and social interests of its members. The Indian history of the inception of Trade Union movement was sometime around the second half of 19<sup>th</sup>





century, when big industrial enterprises started growing side by side with the emergence of the Indian working class. Although during this time, there were no formal unions, sub-human and inhuman working conditions led to many strikes organized by the workers themselves. During the early period of Industrial development, efforts towards organizing workers, were largely initiated by social workers and religious leaders. After the first factories Act was enacted in 1881, there was a protest in Bombay, wherein 100 workers drew a memorandum demanding limitation of working hours, weekly rest day, mid-day rest and compensation for injuries. The Bombay Mill owners association conceded the demand for a weekly holiday and encouraged by this the Bombay Millhands Association was conceived in 1890. This could be regarded as the first labour organization in India. As an aftermath to many incidents, the need for legal protection for the trade unions was felt and the Trade Union Act was enacted in 1926, legalizing the right of the workers to combine and form unions and granting them immunity from civil and criminal prosecution for bonafide trade union activities. This Act still continues to be the basic law governing the trade unions in India. Presently, there are about 7000 trade unions in the country, including the non-registered ones and about 70 federations and confederations registered under the Trade Unions Act 1926. India is the only country in the world where there are 11 central trade unions. As a result of these unions' continuous struggle and longstanding efforts the workers in the country are at least in this position where they are now.

**Civil liberties:** Civil liberties movements are always build on strong people's organizations. These movements based on strong organizational strength provides protection from the repressive state agencies especially from the police, para military and armed forces and .protection from the oppressive social institutions like religion, caste, patriarchal family and ethnic hatred etc. Organizations like PUCL, PUDR, APCLC, FDR and HRF did a commendable work in defending the civil liberties and democratic rights of the people from the onslaught of the Rich and the powerful, From high handed and autocratic government functionaries, from the rapacious corporate sharks, from the authoritarian Indian state itself . They elevated the awareness and consciousness of our society regarding the inviolability of

human rights.

**Healthcare:** Many NGOs and CSOs in the country are actively promoting institutions of/ for the poor that work on making health care accessible to the poor. Many institutions have sprang up and many innovations related to hygiene, social), sanitation, safe drinking water, nutrition, vaccination, mother and child care, education that promotes athleticism, preventive medicine etc are taken up by these institutions. The Community Rural Health Project (CRHP) of Jamkhed is a unique model that is trying to be replicated by many other organizations across the country which organizes community around their health issues. The goal of CRHP is to build the capacity, skills and confidence of village people to enable them to participate in and improve the health of whole community. In each village of CRHP project area, women from different caste and religious groups come together to share health knowledge and improve their socio-economic status. The women are given training and assistance in operating various economic programs to improve their families and communities. This has a profound and long-lasting impact on the health of the people in each village. In a number of villages, the Women's Clubs are very active as the prime movers on such things as nutrition, health and hygiene, safe drinking water, kitchen gardens, afforestation, micro-credit, and income generation. Increasingly, emphasis has been placed on women's empowerment and raising the level of self-esteem, especially among girls. Family planning and the promotion of adequate birth spacing still remain among the priority areas of CRHP. These women work closely with the Village Health Workers whose task is to convey all relevant health and other knowledge gained at the CRHP training centre to groups such as the Mahila Mandals, so as to reach out to the community as a whole. The impact of CRHP's training activities has led to a true grassroots movement for health and social justice, shaping public health policy as well as the direction taken by health conscious NGOs involved in development work.

**Education:** Literacy is very important for human beings to transact with the world. While the public education system appears to be busting at seams, not able to cope with the growing number of children, private players have entered at all stages of education. Ironically, they are expensive but do not 'deliver' to vast majority despite payments. The quality remains poor. The schools and facilities are grossly inadequate. Thus, while the systems have failed in offering education for better life, it appears universal education is bypassed in the pursuit of livelihoods early on in life. Unfortunately, it appears that it is not doing a good job either for offering education for better livelihoods. In this context, many individuals, organizations are striving for creating a child friendly education environment and encouraging the existing educational institutions apart from starting alternative institutions to provide education with conceptual and value foundation which respects local cultures and traditional knowledge along with offering a scientific orientation.

**Livelihoods:** Agriculture, which was considered as a way of living for a majority of Indians, is now looming under crisis.



Dry land farming has become like a gambling. Increased input and labour costs, decrease of price realization by the farmer coupled with the effects of globalization has made agriculture unviable. Suicide rates among farmers have increased multifold and as a response to this situation many organizations started organizing the small scale farmers with a view to achieve economies of scale through collective purchases, collective marketing etc. The farmers' organizations are also active in meeting the credit and other needs of the farmers which the formal institutions largely failed to meet. These institutions also actively involved in activities such as promoting eco friendly technology, seed banks, water harvesting, water conservative agriculture, basic fertility preservation etc. Cooperatives of fishermen, weavers and other artisans are also meeting the needs of these communities to a large extent which are failed to meet by the government mechanisms. We are also witnessing the emergence of cooperatives/ mutually aided cooperative societies/ producer companies etc. which are doing a commendable service to the poor by offering diverse supports such as credit, insurance, marketing, storage, transportation, value addition etc. to enhance their livelihoods.

**Policy advocacy:** There are certain institutions in the country that are formed to bring about a change in the government policy towards a certain issue. Cooperative Development Foundation of Andhra Pradesh is predominantly working towards bringing a positive environment for the cooperatives to flourish by advocating for policy level changes through community institutions. It facilitates the formation of cooperatives and nurture them as model cooperatives that negotiates with the government for policy level changes that help cooperatives to function as truly member driven. Like wise there are institutions actively engaged in policy advocacy ,in areas like decentralized democratic governance through strengthening Panchayath

one has to be abundantly clear now that main business of development work is not to substitute the institutions of State and the market, but to capacitate the poorer communities and organize them so that they'll be able to assert their rightful claim over all those formal institutions.

raj institutions, promoting sustainable agricultural practices, displacement due to Development projects, industrial ventures and mining, ecological issues, electoral reforms, nuclear energy related issues etc.....

**Micro finance:** Micro finance institutions are very popular not only in India but also across the world. These institutions, mainly formed by organizing women into various kinds of groups such as Self Help Groups, Joint Liability Groups etc, are meeting the micro credit and micro insurance needs of the poor in a large scale. In some places these SHGs are formed into higher level federations and are also addressing other needs of the community such as health, support to livelihoods, education, housing etc.

There are many other institutions in the country that are formed to work on diverse issues that matter to the life of people, especially the poor, such as housing, environmental protection, micro enterprise promotion, skill building, knowledge dissemination etc.

While learning from these experiments of building pro-poor institutions, one has to be abundantly clear now that main business of development work is not to substitute the institutions of State and the market, but to capacitate the poorer communities and organize them so that they'll be able to assert their rightful claim over all those formal institutions.

If we want more and more people to participate and take advantage of institutions, we need to capacitate more and more. People need exposure, practical experience, hand holding while experimenting on some thing. It demands a great collective effort from development practitioners to bring about such empowerment and capacities to the people. The institutions of the poor should take the role of empowering their members so that they can make the other formal and informal institutions to become the institutions for the poor. ■



# They Will Be with Me Until My Last Breath

Street performers using performing animals as a livelihood is an ancient practice. In olden days there were limited sources of entertainment. So people especially children were interested in street play using monkeys. As far as technologies taken new ways, these old type of entertainment source is being reduced. Seldom can we find these type of livelihoods. 'livelihoods' took the opportunity to talk with Raghava a street performer using monkeys.

**Q:** What is your name and native place?

**A:** I am Raghava and I am 53 years old. Our native is Kurmai village in Palamaneru mandal of Chittoor district

**Q:** Where did you spend your childhood? What is your educational qualification?

**A:** My entire childhood was in my own village, I studied there till 5<sup>th</sup> class.



**Q:** What is your profession?

**A:** Previously I was a farmer; I had three acres of land which I got from my father. I used to grow paddy and varieties of vegetables.

**Q:** Where do you stay now?

**A:** We stay in Palamaneru, near the bus stand. We have built a hut here.

**Q:** Why did you come here?

**A:** Its more than fifteen years since we came here. Just two years after my marriage I was forced to move here because of family disputes. My elder brother took over two acres of land we had. It was difficult to live with what we grew in one acre of land. We had no option but to sell the house and land we had in village and migrate to the town.

**Q:** What kind of work did you take up when you came to the town?

**A:** initially I used to go for construction work. As that work was not available regularly, I found it difficult to provide basic food and shelter to my family. Then I borrowed some money from my neighbours and started selling bangles. I did this work for four years.

**Q:** What do you do now?

**A:** I am a street performer; I take monkeys around the town and show performances.

**Q:** How did you start this and what happened to your bangle business?

**A:** A circus company had come to our village from Karnataka. When they were here I learnt some tricks of making monkeys dance and do circus tricks. When they left the village they offered to sell 2 monkeys for Rs 300. I thought it was a good idea. Soon I bought them and started this work. My wife has taken over the bangle business.

**Q:** For how long have you been doing this monkey play?

**A:** It is almost 12 years now, I earn Rs. 60/- to 100/- per day.

**Q:** Do you want to continue with this work?

**A:** There is uncertainty in availability of work. If I want to do any business I need investment. So I thought it is easy to make street performance with monkeys. Elders and children everybody like monkeys play. I perform near bus stand so that it is easy for me to earn minimum income.

**Q:** How long will you continue with this work?

**A:** Probably I will do this for two or three more years. After that I want to do some small business with my savings.

**Q:** Once you leave this work what will happen to these monkeys?

**A:** They helped me when I was in crisis. They will be with me till my last breath.

**Q:** Tell us more about your family?

**A:** My wife looks after bangle business staying at home. I have two daughters. Both are studying. Elder daughter is studying Intermediate and younger daughter is in 9<sup>th</sup> class.

**Q:** How many hours do you work in a day?

**A:** Every day from morning 10.00 am to night 8.00 pm, I work for about 10 days. In between I take rest for a while on foot path only.

**Q:** What do you feed monkeys with? How much do you spend on that?

**A:** Not much. There are many fruit shops. People give fruits themselves without asking. Bananas and coconuts are given to monkeys at temples. Some people give biscuits to them. So hardly I spend on food for monkeys. On the outer side I would spend approximately Rs. 60/- to 80/- in a month.

**Q:** Do you face any problems in your work?

**A:** Rainy season is bad for us as we cannot do performances, people also do not stand and watch.

**Q:** How is your financial condition now?

**A:** My wife and me together earn Rs. 4000 in a month. It is sufficient for my family. Every Friday there is shandy at Palamaneru, on that day I get to earn Rs 150 at least easily.

**Q:** What are your plans about higher education for your children?

**A:** It will be difficult, but we want to work hard to give our children good education.

**Q:** What kind of help do you expect from the Government?

**A:** If government gives us loan to build a house and to give education for our children it will be of great help. ■

# Potato

Potatoes are an important food source. Potato (*Solanum Tuberosum*) is an edible stem (tuber) of a plant. It is thick uneven shaped and grows underground. It has thin skin that is usually red, yellow, or brown. Inside the potato is pale flesh. Potato contains vitamins and minerals, as well as an assortment of phyto-chemicals, such as carotenoids and polyphenols. A medium-size 150 g (5.3 oz) potato with the skin provides 27 mg of vitamin C (45% of the Daily Value (DV)), 620 mg of potassium (18% of DV), 0.2 mg vitamin B6 (10% of DV) and trace amounts of thiamin, riboflavin, folate, niacin, magnesium, phosphorus, iron, calcium, sodium, sulfur and zinc. The fiber content of a potato with skin (2 g) is equivalent to that of many whole grain breads, pastas, and cereals. It is best known for its carbohydrate content (approximately 26 grams in a medium potato).



Potato is a major world food crop ranking 4<sup>th</sup> only after rice, wheat and maize. The English word potato has its origin in the Spanish word for potato called patata. Potato originated in the environs of Lake Titicaca high in the Andes of Peru and Bolivia in South America and passed on to the Incas. For millennia, potato called as papa was the bread of the great Andean civilization. It is said that the ancient Andeans, who were forced to migrate to the highlands during that period, were the first to domesticate the potato. It has also made an entry into the myths and rituals by the ancient Andeans so much so that they celebrate potato festival called Moray Raymi even today. The archaeological excavations in Peru have discovered the remains of potatoes as early as in 8000-6000 BC. Even to this day potato continues to be the food for the masses. Until the discovery of the New World, potato remained unknown to the rest of the world. It was only later that the potato was introduced into Europe together with other crops like maize and tobacco. Once established in Europe, the potato soon became an important food staple and field crop.

Though potato is not native to India today it is the 3<sup>rd</sup> largest producer in the world, after china at 1<sup>st</sup>, Russia at 2<sup>nd</sup> and before the United States at 4<sup>th</sup> place. Potato is grown almost in all states of India. Major potato growing states are Himachal Pradesh, Punjab, Uttar Pradesh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, West Bengal, Bihar and Assam. UP, West Bengal, Bihar and Punjab together account for about 86% of India's potato production. Presently in India Potato is cultivated on 1.28 million hectares and accounts for about 0.65 percent of total cropped area of the country. It is grown in almost all the States and under very diverse conditions. Nearly 80% of Potatoes are grown in vast Indo-Gangetic plains of North India during winter from October to March. Plateau regions of South-eastern, Central and peninsular India, constitute about 6 percent area where Potatoes are grown as a rain-fed crop during Kharif Season (July to October) or as irrigated Rabi Crop during winter (November to March). At present annual market size of Potatoes in India is approximately Rs 12000

Inputs	Pre-production	Production	Post-production	Marketing
<ul style="list-style-type: none"> <li>* Land</li> <li>* Tractor</li> <li>* Water</li> <li>* Potato seeds</li> <li>* Fertilizers</li> <li>* Pesticides</li> <li>* Labour</li> <li>* Crow bar</li> <li>* Spade</li> <li>* Bamboo baskets</li> <li>* Plough</li> <li>* Investment</li> </ul>	<ul style="list-style-type: none"> <li>* Ploughing the land</li> <li>* Making water channels in the land</li> <li>* Watering</li> <li>* Sowing the seeds</li> </ul>	<ul style="list-style-type: none"> <li>* Weeding occasionally</li> <li>* Applying fertilizers</li> <li>* Applying pesticides</li> <li>* Watering frequently</li> <li>* Applying fertilizers again to allow the Potato to grow properly</li> </ul>	<ul style="list-style-type: none"> <li>* Harvesting the potatoes</li> <li>* Transporting the harvested potato in bamboo baskets to a shady place for grading.</li> <li>* Grading the Potatoes</li> <li>* After grading, filling the Potatoes into thin bags.</li> </ul>	<ul style="list-style-type: none"> <li>* Selling the Potatoes in nearby markets and shandies</li> <li>* Using the Potatoes to make different varieties of dishes.</li> </ul>



Crores (Average price @ Rs 500 per quintal). India exports potatoes to Nepal followed by Sri Lanka, Mauritius, Maldives and USA. Nepal shares almost 82% of total exported quantity. India imports starch from other countries. Starch is used in noodles and other value added food items. Since 2004-05 the starch import has come down because some Indian industries have also started manufacturing potato starch. The government is also planning to set up a potato starch unit in Faizabad (UP).

Potato consumption per capita in India (14.8 kg/head/year) is one of the lowest in the world and hardly 1% of the potato is processed. Processed potatoes currently constitute less than 0.5% of annual production. While the consumption of processed potato products is anticipated to increase, at present, the processing sector is largely comprised of various kinds of dehydrated potato products, starch etc.

The predominant form of this carbohydrate is starch. A small but significant portion of this starch is resistant to digestion by enzymes in the stomach and small intestine, and so reaches the large intestine essentially intact. This resistant starch is considered to have similar physiological effects and health benefits as fiber: It provides bulk, offers protection against colon cancer, improves glucose tolerance and insulin sensitivity, lowers plasma cholesterol and triglyceride

concentrations, increases satiety, and possibly even reduces fat storage. Potatoes also contain toxic compounds known as glycoalkaloids, of which the most prevalent are solanine and chaconine. This poison affects the nervous system, causing weakness and confusion.

Potatoes are used as a vegetable in preparation of curries. It is deep fried in oil in different shapes and forms (boiled, half boiled and raw) to make Bujjis, chips, fries. Potato is available for consumption in the form of flour, frozen mashed potatoes and potato starch.

Potatoes require full sun to grow and prefer a slightly acid soil with a pH of 5.8-6.5. Though propagation of potatoes is through seeds, small tubers called seed potatoes are used during cultivation. Seeds selected should be free from diseases. Either a small tuber as a whole or a piece of a larger tuber containing at least one eye can be planted. Large tubers can be cut into pieces with 2-4 'eyes' on each piece. Seeds have to be dried in a cool and dry place for two before planting.

While planting, about a foot of space should be allowed between each tuber. Rows should have about two feet of space between them. Soil should be dug to a depth of 10-15 inches and covered with 2-3 inches of soil and compost. Planting deep inside allows for good root and foliage development. As the potatoes grow up, add more soil and compost. Keep potato plants well watered throughout the summer, especially while flowering.

As any farmer, potato farmers in the country are also suffering from the problems of spurious seeds, fertilizers and other inputs, fluctuating market prices etc. Empowering farmers by forming their own collectives can show a way forward for them by solving these problems at least to some extent apart from addressing the credit and other technical needs of the farmers.

As vegetables are perishable items storage and transport infrastructure are very critical in safeguarding the interests of the farmers. However, India is grossly failing in creating this required infrastructure even after achieving so much economic and technological progress. There is also a huge gap in value addition. We are exporting the raw potatoes and importing the processed products from other countries. Creating value addition infrastructure and also providing required skills and knowledge to the communities can not only help the farmers in realizing better incomes but also help to create more employment opportunities. ■

### Income and Expenditure from Potato (in one acre land)

#### Expenditure:

- Rent for tractor and Ploughing= Rs 3400
- Buying 7 quintals Potato seeds (7\*1quintal\* Rs1800)= Rs 12,600
- Water channels(3 men\* Rs 100\* 1 day)=300
- Sowing the seeds (4 woman\* 1 day\* Rs 80)= Rs 320
- Weeding (4 women\* 1 day\* Rs 80\* 3 times)= Rs 960
- Fertilizers and Pesticides= Rs 3350
- Spraying the pesticides (2 men\* 2 times\* Rs 500)= Rs 2000
- Harvesting (5women(Rs 80)\* 2 men\*(Rs 100)\* 1 day)= Rs 600
- Grading the potatoes (4 women\* Rs 80\* 1 day)= Rs 320
- Filling the potatoes into gunny bags (4 men\* Rs 100\* 1 day)= Rs 400

**Total Expenditure: 24250**

#### Income:

- Total yield from acre– 120 quintals
- Total income from acre of potatoes (120 quintals\* Rs 600)= Rs 72000

**Profit from potatoes (from one acre)= Rs 72000-24250= Rs 47750**

## Cooperative Development Foundation (CDF)

A strong believer of the principles of cooperation and a strong advocate of member sensitive, member responsible and member controlled democratic organizations, Cooperative Development Foundation, popularly known as Sahavikasa, is instrumental in the enactment of liberal cooperative laws in many states across the country. Apart from advocating for parallel laws in other states, Sahavikasa is also creating models of such member controlled cooperatives.

Cooperative Development Foundation (CDF) was established in 1975 by a group of development workers and registered as a society in 1985 under the Andhra Pradesh Societies Registration Act. Sahavikasa came into existence for promotion and development of cooperatives, keeping in view that these business enterprises would be effective, viable and sustainable instruments for multifaceted and integrated socio-economic development of rural people of meagre resources and small incomes. It's main aim is to promote an environment in which cooperatives flourish as decentralized, democratic, self-help and mutually aided organizations effectively harnessing and fostering local resources in consonance with the universally accepted principles of cooperation.



price (per quintal) by providing good seed to them and purchasing back the foundation seed. As the cooperatives took care to maintain the quality of seed by checking germination rate, even the other farmers in the open market opted for purchasing seeds produced by the cooperatives. In addition, the cooperatives also pays bonus to members equitably from surplus generated at the end of the year.

It is because of Sahavikasa's consistent efforts for many years a member sensitive cooperative act called 'Mutually Aided Cooperative Society Act' was enacted in the year 1995 in the state of Andhra Pradesh. This Act is considered as a watershed in the history of the Indian Cooperative Movement.

This act respected the rights of the members to fully own and control their own cooperative enterprise. Once the law was enacted, Sahavikasa made efforts to disseminate the provisions and implications of the new Act and to promote registration of cooperatives under it. The work of CDF after the enactment of the MACS Act has the following objectives.

Assist women and men in the areas around Warangal in forming and developing new generation cooperatives under the APMACS Act, with a view to validate the fact that rural women and men are capable of managing their own organizations; Disseminate the contents and implications of the APMACS Act, throughout Andhra Pradesh, with a view to motivate a large number of ordinary people to organize themselves into cooperatives for their own economic and social development; Advocate for enactment of liberal cooperative law in other states with a view to see that the cooperative sector plays its legitimate role in a free market economy; and Disseminate the contents and implications of parallel and liberal cooperative law in the states where such a law is enacted.

Since 1995, many cooperatives were formed across Andhra Pradesh under MACS Act many of which are proved as successful cooperatives. CDF itself has facilitated formation of 446 thrift cooperatives (TCs), 37 association of thrift cooperatives (ATCS), 180 women's dairy cooperatives (WDCS), 2 associations of women's dairy cooperatives (AWDCS), 4 paddy seed growers' cooperatives (PSGCS), in 300 villages around Warangal in AP. This, along with the consistent advocacy efforts of CDF, has paved way to the enactment of parallel cooperative laws in many other states.

With its more than 30 years of experience in the area of cooperation, Cooperative Development Foundation is moving forward in its effort to build a conducive environment for cooperatives to flourish in the country. ■

To demonstrate how well a truly member driven cooperative can work in meeting the needs of people, Sahavikasa has promoted many cooperatives based on diverse issues. Sahavikasa began helping rural people to form Thrift Cooperatives in Warangal and Karimnagar districts of Andhra Pradesh, from the year 1990. Women's thrift cooperatives (WTCs) were started from 1990 and men's thrift cooperatives (MTCs) were set up from the year 1992. Since then, CDF's fieldwork area has spread to Medak, Rangareddy and Nalgonda districts of AP. These Thrift Cooperatives promoted by Sahavikasa are running very successfully and are meeting the savings, credit and insurance needs of the people.

The women thrift co-operators looking for ways to utilise excess funds conceived the idea of setting up Mulkanoor Women's Cooperative Dairy (MWCD) to benefit a large number of co-operators. Sahavikasa rose to the occasion by helping them in setting up Women's Dairy Cooperative and their Union. The Mulkanoor Women's Mutually Aided Milk Producers Cooperative Union Limited, thus formed, is a promising community enterprise in enhancing livelihoods of large numbers of rural producers. It began its operations in Aug' 2002 it is providing services to more than 15,000 members.

CDF has also promoted many paddy and seed cooperatives around Karimnagar and Warangal in Andhra Pradesh with a view to provide quality seeds to farmers, reduce the cost and gain more through collective production, processing and marketing, Sahavikasa extended financial assistance for infrastructure development, storage and processing. It has also extended financial assistance to meet their working capital needs for the purchase of seeds from members. These paddy and seed cooperatives were able to pay better return to members to the tune of Rs 30 more than the market

# Framework for Livelihoods Promotion in India

Myriad schemes, programmes and missions exist in India, implemented by Government of India and various states. Several NGOs and INGOs are also contributing their bit. A macro-framework for various actors and missions to align their actions in a mutually convergent manner for livelihoods improvement in India is required.

Promotion of livelihoods requires twin pronged approach: (a) bringing people out of poverty and (b) providing adequate protection so that they do not fall back into poverty owing to their vulnerabilities. Several efforts have been made in the past to bring people out of poverty, but the results have been short lived. The households that have moved out of poverty in the not-so-poor categories and other households already existing in this category slide into poverty when risks strike them. Previous responses of the government have resulted in the state-led safety nets gradually replacing community-based support mechanisms, and thus making it difficult for poor to access the safety nets. Hence, there is a need to reinstate, rediscover, redesign community based support mechanisms and nurture and strengthen these.

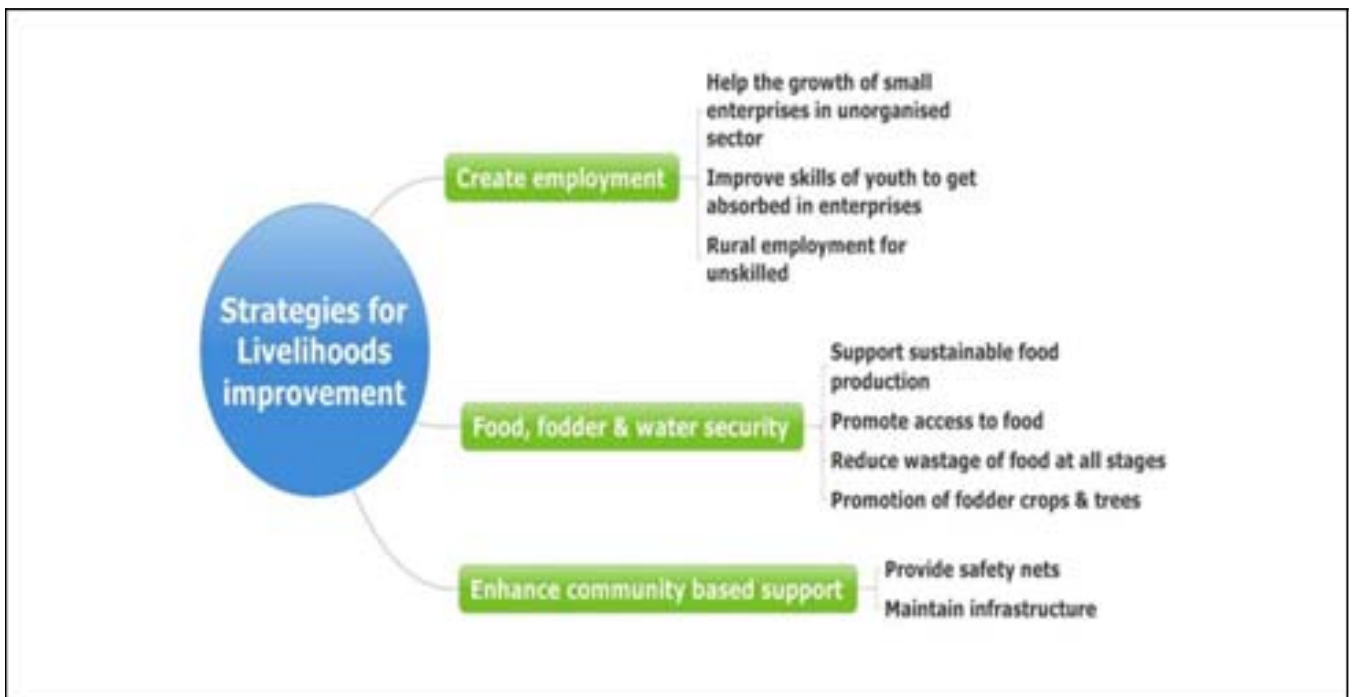
To achieve the twin pronged approach, efforts need to be made towards:

- \* Creating employment
- \* Enhancing food, fodder and water security
- \* Enhancing community based support mechanisms

The following diagram brings out the components of the framework.

During the early five year plans, establishment of larger

factories and building large dams to create employment was the dominant strategy. Due to high technology involved, investment in large factories is not longer creating jobs commensurate with the investments. Since investment in smaller enterprises creates employment growth, the focus needs to shift to supporting small enterprises in the unorganised sector. While a lot of efforts have been made to build one-man enterprises through enterprise development programmes, efforts to help the smaller enterprise grow have been limited or met with limited success. Studies point out that 87% of total enterprises in the unorganised sector are own account enterprises, and these provide 73% of total employment in this sector. Slightly less than a fifth of enterprises do not even have premises, and about 76% do not have power. Thus, any growth in these enterprises can absorb several unemployed and under-employed. Even if half of the 39.7 million enterprises employing 1-5 persons were to add just one more person each, that would mean employment to about 20 million persons. Urgent investments are needed in this area. As against 1.2 million enterprises financed by financial institutions, about 37.6 million enterprises have been established by self-financing. This provides a quick view of the status of existing interventions and their reach. Since marketing is the main constraint in the growth of enterprises, investments in the arena of marketing





(sans the bureaucratic approach) are needed.

The paradox of employers unable to find suitable persons for jobs and youth unable to find jobs need to be addressed. The solution is not just on

enhancing the technical skills of the youth in relation to the market, but to make them ready for the jobs. A larger section of youth still come from agricultural framework and has not yet been initiated into industrial/ organisational culture. When employed in industry, they become first generation industrial workers. Unfortunately, the educational institutions are greatly failing in the task of socialising the youth into disciplined, regimented, task oriented and self-directed culture that is required in the organisations today. As a result, many youth still live in a romantic world where every job provides a relaxed atmosphere with perks like AC thrown-in

and little expected by way of accountability. Any job that requires travel or tightly scheduled work drains the youth and drives them away.

Hence, an all out effort needs to be made to sensitise the youth towards reality of employment. As a large section of the youth is already out of educational system, socialising this group into the new ethos might require some sort of a revolution. Will we find the leaders who can bring about this social transformation in the present splintered polity? Probably a way out is to recognise and strengthen a variety of community leaders.

Gains may also be had by encouraging part-time employment and service-providers in the rural area itself. For example, floriculture (like jasmine or crossandras) is generally taken up by owners in small plots as the time available for picking the flowers is limited. As labour is not available for work for the short duration, farmers cultivate only a limited extent of land so that the flowers can be picked by household labour. By inculcating the culture of part-time agricultural labour, several acres can be brought under floriculture.

Since a lot of work needs to be done in improving the land and retaining soil and moisture, schemes like MGREGS can provide much needed relief for unskilled persons in rural areas.

Food security mission is already functional. A lot of effort needs to go into ensuring food security of the poor. As a lot of wastage occurs along the food chain, much can be achieved

by reducing the wastage. But more importantly, the focus needs to be on growing the crops that are suitable to the area. This is contrast to the present drive to produce what is needed for the market. With no or limited production, producing for market may mean nothing. And why cannot we make social marketing efforts to alter the market demand for products that are more suitable for the dry-lands? Why should we restrict social marketing to condoms only? Why should generic marketing campaigns (like those for eggs) be limited only to those areas where private sector with larger investments is involved?

Above all, there is a need to reverse the trend and reinstitute community-based safety net mechanisms – the government supported mechanisms should only supplement the community-led mechanisms. For this, re-organisation of the community is the need of the hour.

Revival of the community spirit is also required for the following reasons as well:

A) Fragmentation of community has led to a situation where frank discussion on the events taking place in livelihoods domain and considered advise on a proposed activity by other person have become almost impossible. Instead of

***An all out effort needs to be made to sensitise the youth towards reality of employment. As a large section of the youth is already out of educational system, socialising this group into the new ethos might require some sort of a revolution. Will we find the leaders who can bring about this social transformation in the present splintered polity? Probably a way out is to recognise and strengthen a variety of community leaders.***

challenging a person with an entrepreneurial idea to defend the idea before the community at large (so that the idea gets refined with the collective wisdom), the tendency is now to watch the person taking up an idea set-up to fail. In several villages where farmers have faced distress by drilling bore-wells that did not yield water, caution was available but was neither articulated not

appreciated. Hence, revival of community spirit can provide the spurt in investments required in both agricultural and non-agricultural enterprises.

B) While government has spent a lot on putting in place infrastructure, maintenance of this infrastructure is neglected. Since it is the poor who suffer when the infrastructure does not function well, strengthening the community to maintain the infrastructure can act as a safety net for the poor and sustain their livelihood.

Thus, helping the small enterprises in the unorganised sector grow, transforming the youth to make them employment ready, re-orienting the food market, reducing food wastage and strengthening the community spirit can help sustain the livelihoods of the poor. Except the first, others are covered by Missions from the government side. Hence, there is a need to come up with a Mission to help the growth of unorganised sector. Further, the existing Skills Development Mission should not stop with just providing skills but also needs to work towards transforming the youth. ■

M Vijaybhasker Srinivas

# Cooperatives of Women for Women

"Cooperative Enterprise Empowers Women" is the theme of this year's International Cooperative Day / International Day of Cooperatives celebrated on the first Saturday of July every year. This year's theme highlights how the cooperative model of enterprise can successfully empower women. It links to the celebration of the 15th anniversary of the *Beijing Platform for Action* (Beijing+15) which sets out the internationally agreed agenda for women's empowerment.

Today, 18% of world's cooperative members are women, and nearly 2500 all-women cooperatives are functioning in the country. Forming all women cooperatives and enhancing women's participation in the cooperatives where both men and women are members has been an important strategy of empowering women. Women are in big numbers as members in dairy cooperatives and farmer cooperatives compared to other cooperatives like fishermen, weaver, credit cooperative societies and others. Like any other system in a patriarchal society even cooperatives are marred by bias towards women. Though women have been members of cooperatives their role had been passive. They are more like de-facto members in the shadow of membership of a male member from their family. Such cooperatives also don't recognize gendered needs of women and make changes in its way of functioning to facilitate women's participation.

This back drop gave rise to thinking among women leaders in the trade unions and cooperatives to focus more on increasing women's participation in the cooperatives and also to set up all women's cooperatives. It is proved that being part of a collective is in the best interest of women and this is true for all the vulnerable. The vision behind setting up such cooperatives is to help women set up enterprises individually or collectively, welfare of women workers and address gendered needs of women like setting up child care facilities for working women, providing training and skill building to

upgrade skills and better up employment opportunity, enhancing skills, providing health insurance and others.

International Day of Co-operatives  
Journée Internationale des Coopératives  
Día Internacional de las Cooperativas  
2010



Entrepreneurship development among women has many positive sides to it. It has the potential to fulfill both practical gender needs of women as well as strategic gender interests. Experience worldwide shows that through cooperatives, millions of women have been able to change their lives, improved their living conditions and those of their families and communities. They have found through the cooperative enterprise a route towards self-empowerment and development.



Entrepreneurship not only results in increased income and their by improving access to nutritive food, better shelter, education and health care facilities. It also teaches them to understand market trends, identify business opportunities, and identify areas of enhancing skills and knowledge. Women gain self-reliance and self-esteem through this participation. Most importantly by promoting equality and changing institutional biases, increased participation of women in cooperatives have served as an avenue in which women have exercised their right to participation. As has been women's empowerment has five components: women's sense of self-worth; their right to

The Declaration and Platform for Action of the Fourth World Conference on Women (Beijing, 1995) popularly known as Beijing declaration is a road map for countries to design policies and actions to achieve gender equality. The strategic objectives under women & poverty and women & the economy provides guidelines for economic empowerment of women.

Women and poverty – has 4 strategic objectives

- \* Review, adopt and maintain macroeconomic Policies and development strategies that address the needs and efforts of women in poverty
- \* Revise laws and administrative practices to ensure women's equal rights and access to economic resources
- \* Provide women with access to savings and credit mechanisms and institutions
- \* Develop gender-based methodologies and conduct research to address the feminization of poverty

Women and the economy – has 6 strategic objectives

- \* Promote women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources
- \* Facilitate women's equal access to resources, employment, markets and trade
- \* Provide business services, training and access to markets, information and technology, particularly to low-income women
- \* Strengthen women's economic capacity and commercial networks
- \* Eliminate occupational segregation and all forms of employment discrimination
- \* Promote harmonization of work and family responsibilities for women and men

Under each of the strategic objectives the declaration has proposed concrete actions for stakeholders and specified setting up of institutional mechanism as well as making funds available for such actions.

have and to determine choices; their right to have access to opportunities and resources; their right to have the power to control their own lives, both within and outside the home; and their ability to influence the direction of societal change to create a more just social and economic order, nationally and internationally. Cooperatives are one such institution that can facilitate such process.

This hasn't happen all of a sudden there has been a movement that stressed for recognition of role of women in cooperatives as well as to bring to forefront needs of a women cooperative member, which are different from that of a male member. There have been many leading women's cooperative movements like The Cooperative Facility for Africa (COOPAFRICA), the Gender Equality Committee (GEC) of The International Cooperative Alliance at international level and cooperatives like Self-Employed Women's Association (SEWA) is immensely successful and likewise the Grameen banks in Bangladesh that have showed cooperative models that suit various needs of women.

However there are certain challenges that women's cooperatives face. As the cooperative movement worldwide incorporates so many women (yet few in management positions), it is important that more women are integrated into the system. Cooperatives like any other institutions face problems when the number of members associated with it becomes more. Cooperatives which believe in the principles of democracy and participation are put to testing then. One need to be conscious of how they would still keep their members involved in the governance of the cooperative and

creates spaces for its members to articulate their needs. Only when such systems are in place can a cooperative sustain. There is limited gender-disaggregated data about the cooperative sector; it is therefore difficult to assess the development trends in women's leadership. In most cases, women's group businesses are set up in response to government-initiated support schemes. Even over a period of time they tend to become dependent on government grants. As their stake in the enterprise in terms of investment is less and has seen from their past examples where the government absorbs the risks involved in the business, spirit of an entrepreneur to sustain business and make profits is not very evident.

Way forward seems to be; empowering leaders and ensuring that this legacy continues. There have been suggestions to establish Leadership Development Fund for Women in Cooperatives, to be used for leadership development and promotion. Putting in place risk covers is another way forward as it will help women to be more adventurous in business enterprises. There is need for greater capacity building in management skills, market analysis and recruitment of professionals; this would facilitate participation in competitive markets. Investments are required in developing niche products and services. And not missing the links there is greater need for women in cooperatives to network with women's groups and human rights groups advocating for rights of women. On the occasion of celebrating spirit of cooperatives on International Cooperative Day, Livelihoods sees hope in cooperatives and a better future for women. ■

Rekha Srinivasan



# Dairy Cooperatives In India

The most significant contribution of the dairy sector is in generating income and employment to millions across the countryside. The positive role that dairying could play in providing income and employment opportunity was clear to policy-makers long time back and a set of measures were put in place to develop and protect the dairy industry. Immediately after India gained independence, the Milk Control Board was set up which controlled the supply and distribution chains. This however led to emergence of a set of middlemen and the share of producers in the sales declined. With processing units set up in cities, it became difficult to procure and transport milk from the centers of production which were in the rural areas. As a result, the yield of milk declined and imports of milk powder went up. While the government was grappling with these problems, a quiet revolution took place in the village of Kheda in Gujarat which set up a cooperative to procure process and market milk.

In 1973, the Kheda Cooperative Union set up a marketing agency named Gujarat Cooperative Milk Marketing Federation (GCMMF), which follows a three-tier structure at village, district and state level for procuring, processing and marketing milk and milk products. The district units also provide technical back-stopping to the milk producers and a range of services such as feed, veterinary care, artificial insemination, education and training. These milk cooperatives of Gujarat today own the GCMMF, the largest food products business in India. GCMMF is also the largest exporter of dairy products from India and its brand name Amul is known all over the world. This experiment laid the foundation of the cooperative movement in milk production.

The federal and egalitarian structure of these cooperatives ensures social and economic equity to the milk producers and is one of the major reasons for its success. The

government adopted this successful model and set up the National Dairy Development Board (NDDB) which prepared a blueprint for a milk revolution across the country. Known as Operation Flood, this programme began in 1970s and was implemented across the country. It was also one of the largest rural development programmes in the world which ran for 26 years and helped India to emerge as the world's largest milk producer in 2003-04 with a record output of 88.1 million tonnes. With milk production crossing a 100 million tonnes during 2008-09, India is currently the largest milk producing country in the world. As per the records there are about 70 million rural households (primarily, small and marginal farmers and landless labourers) in the country are engaged in milk production. Over 11 million farmers are organized into about 0.1 million village Dairy Cooperative Societies (DCS) (about 110 farmers per DCS). The cumulative milk handled by DCS across the country is about 18 million kg of milk per day.

However, swept by the wave of liberalization, the government allowed State governments to grant a one-time license to the private sector, and abolished renewal of license. In 2003, restrictions on setting up milk processing and milk product manufacturing plants and also the concept of milk-sheds were eliminated. The government also emphasized sanitary, hygiene, quality and food safety of milk and milk products. Contract farming schemes in the dairy sector has been permitted and notable sops being offered to the private sector like reimbursement of 10 percent of the funds invested (up to Rs. 1 million) by a processor in strengthening backward linkages. The situation in the dairy sector is now changing very dramatically.

These changes have given impetus to private sector investment in the dairy sector. Some examples include Hatsun in Tamil Nadu, Heritage in Andhra Pradesh and Dynamix in Maharashtra. Nestle has already made strides in dairy sector. More recently, big players such as Reliance, Bharti, Coca-Cola and PepsiCo, have voiced plans to invest heavily in the dairy sector. Reliance has entered the liquid milk market with its brand Dairy Pure, in Hyderabad and is further looking at acquisition models. Cola majors, Coca-Cola and Pepsi, also have plans to invest in the dairy sector, especially with the increasing shift away from carbonated soft drinks to heal their beverages. Furthermore, in the emerging liberalized environment, food safety regulations are becoming increasingly important in the international as well as domestic markets. These changes make market access more difficult for the informal sector and encourage higher involvement of private sector in organized milk marketing. Finally, with increasing investment in



supermarkets, companies involved in setting up retail outlets are also investing in dairy activities for milk procurement and selling under the company brand.

Added to this the state of affairs at the country's largest dairy cooperative, Gujarat Cooperative Milk Marketing Federation (GCMMF), are getting murky, with one of its affiliate cooperative unions, Kheda District Cooperative Milk Producers Union threatening to withdraw the brand Amul lent to the parent federation since 1974. The reasons cited for withdrawal of the brand name is that the small unions are not able to maintain the quality. Because of this, the brand Amul is getting affected. Further, due to infighting in GCMMF, nearly 2.7 million dairy farmers associated with it have not got dividend in the recent years. However, GCMMF said that the Kheda union cannot take back the brand, as both the parties have entered into an agreement. Further, Amul is a brand of 3 million farmers in the state and nobody can withdraw the brand name just like that and a lot of conditions have to be met before a union like Kheda can withdraw it.

Moreover, on the other hand one can see the widening gap between the GCMMF and NDDDB. A fierce battle between Varghese Kurien and NDDDB chairman Amrita Patel, who was once his anointed disciple, is manifested in a brand war between Amul and Mother dairy (The Mother Dairy Foods Ltd is a marketing arm and a wholly owned subsidiary of National Dairy Development Board). Amul pushed its range of ice creams into Delhi, a predominantly Mother Dairy territory, since January 2002 whereas the Mother Dairy has been unfurling its national ambitions from the last two years. It began targeting consumers in a big way. It has launched its new butter in Delhi, Noida and Ghaziabad. Very soon, the new product will hit shop shelves across the country. Today, apart from dairy products like ice cream, yogurt and lassi, Mother Dairy, which has the Safal network also, sells peas, rice, fruit drinks, jams, pickles, ketchup squashes and savory snacks. Further, NDDDB's regional brands, like Verka in Punjab, Nandini in Karnataka, Vijaya in Andhra Pradesh, Saras in Rajasthan and Anchal in Uttaranchal dominate the liquid milk market in their own states but their value added products lack standardization. That's where, Amul has the edge.

Further, NDDDB views that the Rs 7,000-crore (Rs 70-billion) milk cooperative market is getting much more competitive as private players like Nestle and Hindustan Lever had made their way into the dairy sector. Therefore, NDDDB wants to strengthen its position through a multi-pronged action plan with an outlay of Rs 800 crore (Rs 8-billion). This includes using MDFL to enter into 51:49 joint venture companies with state cooperative federations to assist them with marketing value added products and to help them in other ways to become self-reliant enterprises. Whereas, the GCMMF is opposed to the joint ventures and believes that if the state cooperatives are going to strike any deals, it should be with Amul as, it has consolidated its position by laying out an enormous brand buffet and continues to get into everything that spells dairy food.

In light of the above development it is quite clear that the



private sector dairy producers may survive the competition from the cooperatives and strengthen its base in the country while the prospect for the latter looks bleak. However, since the private sector does not share its profits with milk producers to the same degree as cooperatives, the ultimate loser in this scenario is the dairy farmer. Moreover, cooperatives are not a mere collection point for milk; they also provide a range of services to farmers that are never offered by the private sector. It needs to be reiterated that cooperative dairying is the least subsidized sub-sector in agriculture and helps the government earn revenues.

India's share in exports of dairy products in international market is insignificant. These markets are dominated by OECD countries, some of whom provide a very high level of support to their domestic producers which are unlikely to be scaled down in near future. Their own markets are heavily protected by giving subsidies. Therefore, even if India is able to find fresh opportunities for exports, the gains may not be significantly high. Besides, with the strengthening of the Rupee against US Dollar likely to continue for some time, this would also impact income from exports. In any case, the possibility of India emerging as a competitive exporter of dairy products is based on results of these last few years and an examination on a medium or long term basis will be required to reach a definite conclusion.

The strength of India's dairy cooperatives lies in the domestic market. It can easily sustain itself on this for times to come provided the government provides suitable protection from subsidized imports. Income levels in urban India are going up and households spend 68 percent of their income on self-consumption. This is an important source of strength for the domestic dairy cooperatives. It is in this segment where better supply management and improvement of quality can help cooperatives gain better market share. By this way the government can maximize welfare of millions of farmers by strengthening the cooperatives. After all, one should not forget the words of the architect of India's White Revolution, Dr. Verghese Kurien "...the aim of the Indian dairy movement is to develop the dairy farmer, not the dairy animal ...". ■

Ravala Vijay Kiran

# Direct Tax Code

The present Income-Tax Act was enacted in 1961, nearly fifty years ago. With an intention of revising it and making it more simple government expressed its interest to modify it when presenting the union budget for 2005-06. Subsequently, work was undertaken on drafting a comprehensive Direct Tax Code (DTC) to replace the Income Tax Act, 1961 and the Wealth Tax Act 1957 and a draft of the proposed Code or discussion paper was finally put up for public discussion in 2009. Since then, a number of valuable inputs have been given by organizations and individuals. These inputs have been examined and the significant points have been identified.

***As per the DTC, every person is liable to pay income-tax in respect of his total income for the financial year at the rates/conditions specified in the schedules after allowing credit for pre-paid taxes (including foreign tax credits). Income has been proposed to be classified into two broad groups: Income from ordinary sources and income from special sources. Income from ordinary sources refers to income from employment, income from house property, income from business, capital gains and income from residuary sources. Income from special sources to include specified income of non-residents, winning from lotteries, horse races etc.***

Based on the feed back revised tax code was circulated with a deadline of being open for feed back till 30<sup>th</sup> of June 2010. Though there are other issues which have been raised in the public feedback, is expected to be considered while finalizing the Bill before introducing it in the Parliament in the forthcoming monsoon session. Salient features of the revised tax code are as follows:

1. The new simplified tax code, is expected to raise tax slabs and lift the ceiling for tax-free savings. There will be some sort of relief from the amended proposal as compared to the previous one that intended to tax the savings at the last stage of withdrawal of the investments as per the Exempt-Exempt-Tax (EET) methodology of taxation.
2. The government intends to do away with the distinction between the short-term and long-term capital gains in a bid to bring simplicity in the taxation of capital gains. The capital gains will be considered as income from ordinary sources. Which means capital gains of the tax payer will be added to their total income. Thus, the tax liability of assesses, on account of income from the sale of capital assets, would be in line with their income slabs. This might hinder the long term savings. Currently, investments in stock market assets and equity-oriented mutual funds which are held for more than 1 year are considered as long-term capital assets and are not taxable. Whereas income from short-term investments that are held for less than 12 months from the date of acquiring such assets are taxable at rate of 15%.
3. It has done away with this presumptive rate of calculation for the gross rent. It recommends that the gross rent for taxation will be the actual rent received in case of houses that are let out.
4. Deduction on interest payment for the loan taken by individual borrowers for acquiring (or constructing) a house property would continue to enjoy the tax benefit subject to a ceiling of Rs.1.5 lakh (only for one house that is used for residing purpose).
5. In view of the practical difficulties in calculating the MAT for the loss-making companies as per the older version of the proposal, the revised draft code says that the MAT should be calculated on the book profits. Thus, the new proposal would ensure that the loss-making companies do not get away from their legitimate taxation liabilities. This is in place of the earlier recommendation which proposed levying MAT on the asset base of the company – at the rate of 2% on the value of gross assets for all the non-banking companies.
6. On public demand, the finance ministry has agreed to abandon its previous proposal on taxing retirement benefits under Provident Fund. In the absence of a social security scheme, the new proposal provides for an Exempt-Exempt-Exempt (EEE) method of taxation for the government provident fund, PPF and recognized provident funds, life insurance products and annuity schemes are approved under tax exempted categories. It also includes pensions administered by interim Pension Fund and Regulatory and Development Authority (PFRDA), including pensions of government employees who are recruited since January 2004, under the EEE treatment.
7. The government has proposed not to levy tax on the earnings from investments in long-term saving instruments made with intention of saving taxes. However, withdrawals of savings above Rs.3 lakh will be taxed.

**Some concerns:** The phasing-out of distinction between short-term and long-term capital assets may not provide incentive to an investor to hold their equity assets for a longer duration, if their actual investments are yielding capital gains over a shorter period of time frame. They may be tempted to book gains more frequently as and when available and take home the profits that are accruing, irrespective of the time period. Though, changes made to the taxing on earnings from investments might boost public savings and income, it may sum up into potential losses for government revenues from taxes that could have been earned during the maturity (or withdrawals) of investments as per the EET methodology of taxation.

The New Direct Tax Code which is going to replace the existing Income Tax Act would address, at least, some of the concerns raised by the experts so as to be more simple in its language and democratic in nature. ■

## Private Travels



Shining Livelihoods

## Cycle Punctures

Declining Livelihoods



## Rural Marketer - Pradeep Kashyap

Pradeep Kashyap needs no introduction for people in development sector. He is considered to be the father of rural marketing in India and has been a pioneer in designing and implementing innovative business models in the social development sector, especially for those in the Bottom of the Pyramid (BoP). He has combined rich experience he gained in the corporate world with more than two decades of experience in the social sector to design several exceptional projects since the late 1980s.

In his career of 40 years for the first 17 years he worked only for corporates like Exide, Bosch and Denso and the remaining 23 years he worked for both development and corporate sectors. This opportunity of knowing both the sectors helped him to invent 3M, a comprehensive livelihoods promotion model and innovative rural marketing initiatives like Gramsree melas. Because of this unique combination of expertise he was honoured to be Marketing Advisor to ministry of rural development, Government of India and to serve in the Prime Minister's Office and Chief Minister's Committees on Rural Development and also on the National Committee of the RBI. He works as consultant to both the World Bank and the UN.



Pradeep's engagement with the development sector started in 1989 when he was appointed as marketing advisor to the ministry of rural development (MRD) Government of India. To create a platform for artisans to bring their products to the consumers in the cities with no interference from middlemen as well as to help them get full value for their products he started a concept of sales exhibition called Gramsree melas. It is estimated that close to 70-80 such exhibitions have been held till date. These melas were used as a space to conduct training program for artisans to learn new technologies and designs. With special focus on women especially poor women artisans; he took up a project called Women's Enterprise Management Training Outreach Program (WEMTOP) initiated by World Bank in the year 1993. The program aimed at training poor women artisan in business skills.

In 1993 itself he started MART, an organization that brings partnership between the corporate and the community. Since he came from the corporate sector and started in the working the social sector, he could see a potential for bridges and synergies between these two sectors. As a result MART has a very strong business mind of the corporate and social heart of the community with compassion for the poor. MART makes corporates understand the community language and the community to understand the corporate participation as well as the government. MART offers solutions from research to strategy and capacity building to understand the emerging markets. MART is also recognized by Lead India for linking farmers to markets' in India.

Pradeep is responsible in leading MART team to develop the most comprehensive livelihoods promotion model - the 3M- Microfinance, Market and Micro planning, a model which promotes large scale employment in rural areas. The first M stands for Microfinance as money or access to capital is necessary to start any business, the second M stands for market which provides business and the third M is 'Micro planning', based on the assessment of natural, human and physical capital available. He has demonstrated usefulness of the 3M model while working on Project titled 'Shakti' with Hindustan Lever.

The project aimed at promoting SHG women as innovative micro entrepreneurs like taking up dealership of companies. Similarly he has developed a collective marketing model involving 7500 women from 500 backward tribal villages in Orissa. He has conceived and organized 300 Gramsree melas for sale of rural products in urban centers. From this initiative alone 46,000 women in 12 states have been benefited and each of them earns Rs 1,000 per month as profit from this business. MART's 3M Approach for Micro Enterprise Promotion has been presented in international forums in USA, Srilanka, Philippines and others.

He has pioneered another low cost, last mile rural distribution model using village volunteers on bicycles for Colgate, Godrej, Eveready, Heinz, Tata Tea and other companies. He has championed the introduction of rural marketing in the academic curriculum in the business management schools in India and Bangladesh and has authored many books on rural marketing liked by students and practitioners alike.

In recognition of his contribution he received several awards. He received best rural marketing initiative award for project titled 'Arogya Parivaar', silver award for best long term rural marketing, gold medal for long term rural marketing initiative, special jury award and Jamnalal Bajaj endowment award. He attributes his success to team work, his totally flexible, non hierarchical organization stands as a testimony to this belief. He also believes that one can acquire knowledge only if one is humble. His vision, belief and professionalism and way of life is an inspiration to many young creative minds who would like to find every possible way out to redeem poor from poverty. ■

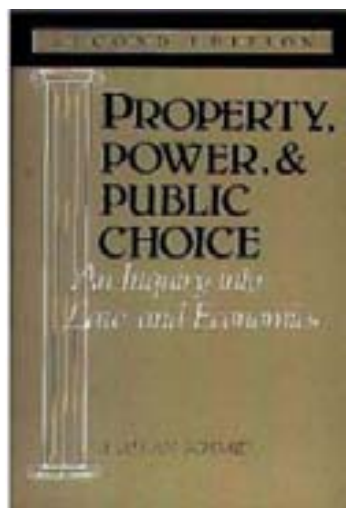
# Books

## Book Summary

Name: **Property, Power & Public Choice**

Author: **Allan Schmid**

Publisher: **Praeger Publishers**



Twenty years ago an author writing a book on theme that externalities form an omnipresent aspect of an economic life in a society would probably have been dismissed it as a crank. But times change and the subject of externalities and their remedies is nowadays widely discussed. Other than the traditional treatment, however, in addressing the relationships between externalities, economic performance, and property rights, Schmid repeatedly emphasizes in his book "Property, Power and Public Choice" the wide variety of possible alternative allocations of rights and shows how this allocation can have a major influence as both income distribution and economic performance.

Little can happen in economic life which does not have distributional impact. Whose interests then count in the economy and in politics? This book addresses that question and explores the factors and forces that determine whose interests count. Schmid is highly critical of contemporary welfare economics for its neglect of property rights and power. As a Consequence

of this neglect, the author claims, current economic theory is incapable of predicting the outcome of alternative forms of property rights and institutions.

The book is divided into three parts: first, the general theory of property rights and institutional performance; second, interpretation of traditional economic concepts in terms of this theory; and third applications of the theory.

In part one he defines property rights as "the relationship of one person to another with respect to a resource or any line of action". Here the wide variety-virtually a continuum-of possibilities is stressed and the inadequacy of the economist's model of pure competition is emphasized.

Part two discusses many of the standard concepts of welfare economics, including externalities, exclusion costs, transaction costs, enforcement costs, information costs, public Vs private goods, Joint-impact goods, common-property resources, game theory, the chaos theory, and quite a few more.

The discussion is illuminated by reference to a large number of exemplary situations. The examples do serve to establish the omnipresent and variety of property-rights problems. Each example is necessarily treated somewhat superficially. Indeed many of the ideas presented in the book seem to try for a more through treatment. These examples what he called as a phenomenon of "spreading externalities" that are undertaken that affects a large number of peoples but each only to a small extent.

Thus, Allan Schmid in this book seeks a paradigm for a predictive institutional economics. He sets himself the difficult task of developing an inquiry model to guide empirical study of the link between the rules of the game and the performances of the economy. He offers a way of explaining the intricacies and complexities of institutional interdependencies. ■

## New Books

Name: **Just Give Money to the Poor: The Development Revolution from the Global South**

Author: **Joseph Hanlon, Armando Barrientos, David Hulme**

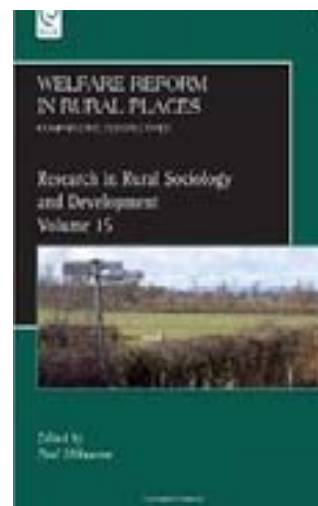
Publisher: **Kumarian Press**



Name: **Welfare Reform in Rural Places: Comparative Perspectives**

Author: **Paul Milbourne**

Publisher: **Emerald Group Publishing Limited**



# Cooperatives in India

Cooperative institutions have become part of people's lives. There are many cooperatives in the country that are promoted to meet the different needs of different communities. People are associated with these cooperatives not only to get financial benefits but also to meet their other needs such as security, self esteem etc. by improving their social capital. In India cooperatives are more popular in dairy sector and women cooperatives of the country have got world wide recognition. But there are good cooperatives working in other areas some of which are given below.

**Girijan Cooperative Corporation (GCC)** of AP undertook the guardianship of tribals to protect them from exploitative middlemen, petty traders and establish a mutually beneficial relationship between them and rest of the world. Under the able management of GCC, tribals gather quality Minor Forest Produce which reaches the consumers in pure " Ready to Use" form which is not only helping the tribals in realizing better incomes but also helping the consumers by offering good quality products at reasonable prices.

web site url : <http://apgirijan.nic.in/>

**Indian Farmers Fertilizer Cooperative Limited (IFFCO)** was registered on November 3, 1967 as a Multi-unit Cooperative Society primarily engaged in production and distribution of fertilizers. Its services are benefiting large number of farmers across the country.

web site url : <http://www.iffco.nic.in/>

**Krishak Bharati Cooperative Limited (KRIBHCO)** is a premier Cooperative Society for manufacture of fertilizer was promoted by the Govt. of India which is also benefiting the farmers.

web site url : <http://www.kribhco.net/>

**National Agricultural Cooperative Marketing Federation of India Ltd (NAFED)** was established in 1958. It is an apex cooperative marketing body playing a key role in the cooperative movement. NAFED has a unique place in the agriculture sector of India being a 'farmer friendly' organization dealing in a wide range of agricultural commodities like Food grains, Pulses, Oilseeds, Spices, Horticulture produce, Cotton, Tea, Jute & Jute Goods, Poultry products, Chemical & Bio-fertilizers.

web site url : <http://www.nafed-india.com/>

**National Cooperative Consumers Federation of India Limited (NCCF)** is the apex Federation of the consumer cooperatives in the country. NCCF was set up on 16 October, 1965 and is governed under the Multi State Cooperative Societies Act. The present membership of the NCCF is 134 comprising of State level Consumer Cooperative Federations, National Cooperative Development Corporation and the Government of India. It has been providing remarkable services by protecting the interests of the consumers.

web site url : <http://www.nccf-india.com/>

**The National Cooperative Union of India (NCUI)** is an Apex Cooperative Organization in India which represent all the segments of Indian Cooperative Movement. Its objectives are to promote and develop the cooperative movement in India, to educate, guide and assist people in their efforts, to build up and expand the cooperative sector and serve as an exponent of cooperative opinion in accordance with cooperative principles. It was established in 1929 as All India Cooperative Institutes Association and was rechristened as National Cooperative Union of India in 1961.

web site url : <http://ncui.nic.in/>

**The National Federation of State Cooperative Banks Ltd. (NAFSCOB)** was established on 19th May 1964 with a view to facilitate the operations of State and Central Cooperative Banks in general and Development of Cooperative Credit in particular.

web site url : <http://www.nafscob.org/>

**The Repatriates Cooperative Finance & Development Bank Ltd (Repco Bank Ltd.)** was set up in 1969 by Govt. of India with an objective of rehabilitating Repatriates from Burma and Sri Lanka. The schemes are open to all on admission as members of the Bank.

web site url : <http://mha.nic.in/> ■

## No Time for Worry

A day of worry is more exhausting than a day of work is an adage which is even relevant today as most of us worry about one thing or the other and try not come out of it. Keeping oneself busy is always the best way to keep out of a worry. A busy mind does not have time to think of any other things including our worries. This story of a father reminds us this simple yet important fact that can bring a lot of difference to our life.

When people are not busy, their minds tend to become a near-vacuum. Every student of physics knows that 'nature abhors a vacuum'. The nearest thing to a vacuum that one will probably see is the inside of an incandescent electric-light bulb. Break the bulb-and nature forces air in to fill the theoretically empty space. Nature also rushes in to fill the vacant mind with emotions of worry, fear, hate, jealousy, and envy as they are driven by the primeval vigor and the dynamic energy of nature. Such emotions are so violent that they tend to drive out of people's minds all peaceful, happy thoughts and emotions. Here is a story of a tragedy driven father (who was also a teacher) who told his class how he conquered worry by keeping himself busy.

The first time he had lost his five-year-old daughter he abhorred. He and his wife thought they couldn't endure that first loss; but as he said, 'ten months later God gave us another little girl-and she died in five days'.

This double tragedy was almost too much to bear. 'I couldn't

take it,' this father told the class. 'I couldn't sleep, I couldn't eat. I couldn't rest or relax. My nerves were utterly shaken and my confidence gone.' At last he went to doctors; one recommended sleeping pills and another recommended a trip. He tried both, but neither remedy helped. He said, 'My body felt as if it was encased in a vice, and the jaws of the vice were being drawn tighter and tighter.'

'But thank God. I had one child left-a four-year-old son. He gave me the solution to my problem. One afternoon as I sat around feeling sorry for myself, he asked: "Daddy can you build a boat, a boat for me?" I was in no mood to build a boat; in fact, I was in no mood to do anything. But my son is a persistent little fellow! I had to give in.

Building that toy boat took about three hours. By the time it was finished, I realized that those three hours spent building that boat were the first hours of mental relaxation and peace in months!

That discovery jarred me out of my lethargy and caused me to do a bit of thinking- the first real thinking I had done in months. I realized that it is difficult to worry while you are busy doing something that requires planning and thinking. In my case, building the boat had knocked worry out of ring. So I resolved to keep busy.

Today, one can hardly see a person without a worry. People worry about one thing or the other and waste their valuable time in despair. Further, worry breeds misery. The secret of being miserable is to have the leisure to bother about whether one is happy or not. So don't bother to think about it! Resolve to keep busy and very soon this whole positive upsurge of life in one's body will drive worry from the mind. Get busy. Keep busy. It is the cheapest kind of medicine there is on this Earth-and one of the best. ■





## Growing Height of Indians

Many of us have been looking for clear evidence of the impact of development efforts and dollars that we are spending in India. 'livelihoods' presents the following table compiled by Angus Deaton\* about the average height of male and female in India and the increase in these heights, as the trend indicates that we have been successful. Height of adults (and stunting) is a function of malnutrition during childhood, and hence an increase in height of adults over a period of time indicates reduced malnutrition among children. This definitely calls for some celebration.

Indian Heights and Growth in Heights, by State and Sex					
State/UT	Population (millions, 2001)	Height at 20 years		Cm increase per decade	
		Men	Women	Men	Women
Andhra Pradesh	76.21	165	152.3	0.64	0.58
Arunachal Pradesh	1.1	160.5	151	-1.06	0.06
Assam	26.66	163.6	150.6	0.42	0.01
Bihar	83	163.8	150.4	0.4	-0.17
Chhattisgarh	20.83	163.9	151.8	0.37	0.3
Delhi	13.85	165.8	153.6	-0.05	-0.37
Goa	1.35	166.2	152.4	1.07	-0.05
Gujarat	50.67	166.3	152.9	0.48	0.29
Haryana	21.14	168.1	154.8	-0.04	-0.1
Himachal Pradesh	6.09	167.1	153.9	1.31	0.18
Jammu & Kashmir	10.14	168.3	154.9	1.09	0.38
Jharkhand	26.95	162.7	150.2	0.18	0.12
Karnataka	52.85	166	152.7	0.6	0.07
Kerala	31.84	168.3	154.6	1.29	1.16
Madhya Pradesh	60.35	165.7	152.5	0.01	-0.08
Maharashtra	96.88	166.1	152.5	0.79	0.49
Manipur	2.29	163.5	152.3	0.18	0.31
Meghalaya	2.32	157.2	149.1	-0.57	-0.19
Mizoram	0.89	163.3	152	0.77	0.24
Nagaland	1.99	163.1	152.5	0.1	-0.22
Orissa	36.8	163	151	0.15	-0.04
Punjab	24.36	168.6	154.6	-0.04	-0.04
Rajasthan	56.51	167.5	154.6	0.25	0.02
Sikkim	0.54	160.7	151.7	0.74	0.45
Tamil Nadu	62.41	165.8	153.4	0.84	0.66
Tripura	3.2	161.6	150.2	-0.09	0.28
Uttar Pradesh	166.2	164.6	150.7	0.33	-0.04
Uttaranchal	8.49	165.4	153.1	0.41	0.35
West Bengal	80.2	164.6	151.1	1.13	0.19

In most states, both men (23 states) and women (19 states) have grown taller over time, and men have grown more than have women (24 states).

\*Source: Angus Deaton (2008) "Height, Health, and Inequality: The Distribution of Adult Heights in India", American Economic Review: Papers & Proceedings - 2008, 98:2, 468-474, ■

## Out of Poverty

## Investment in Education Pays

Ramakrishna hails from Rajampet Mandal in Cuddappah district. When he was still studying 10<sup>th</sup> standard both his parents died leaving his younger sister Lavanya in his care.

Two acres of land with no skills in cultivation was what he had to sustain himself and to take nurture his sister. Though all of a tender age of fifteen years, Ramakrishna didn't lose heart. With the help of his well wishers he learnt to grow groundnut. This didn't help for long as income from this cultivation was not uniform. As it was a dry land he sometimes produced better yields and sometimes nothing. Still they managed. He had a strong desire to educate his sister, so after her metric he wanted her to join for an intermediate course in Padmavathi College, Tirupati for which he wanted more money.

For about four years he depended only on agriculture as a source of livelihood. At the age of twenty he got married and at the same time he joined his sister in for intermediate course. It became difficult for him to lead his own family and take care of his sister's education. But he was determined to earn more income so as to meet his expenses. So, he started a tea stall along with the agriculture. He and his wife both were sharing work.

When Ramakrishna was in the field his wife used to manage the tea stall. Gradually their income increased and eased out

the financial stress. Further, two children were born to them, as they grew up he put them into a private school. His sister expressed an interest in studying MCA. As she was an intelligent student and scored good percentage, college authorities gave considerable fee exemption. These additions again put him in a financial stress these two incomes were not sufficient to meet the growing expenses. To add another income he setup a photocopy centre. He employed a person to take care of this.

While this was on, his sister got an opportunity to go abroad. She had three years to prepare for it which also meant that Ramakrishna had to gather adequate money to send her abroad. Therefore, he added a STD booth in the copying centre as an additional source of income.

His penance yielded good results his meritorious sister found a well paid job in Singapore.

As an equally responsible sister Lavanya now started financially supporting her brother and his family. As advised by his sister and by her support he closed all the petty businesses and started a big cloth shop. At the right time he got his sister married. For his hard work and responsible nature he was appreciated by all his near and dear. Now Ramakrishna and his family are leading a happy life. ■

## Broken Lives

## Poor Business Knowledge Costs Dearly

Hussein Sahib is from Nellore district. His wife and son constitute his family. His dream is to give good education to his son. He inherited a hotel from his forefathers which was their main livelihood and gave them Rs.8000 income. His wife used to make rotis to add another Rs. 2000 per month to family's income.

The Income was sufficient to meet household expenditure and provide for son's education. He was also able to save some money. However, with the intention of earning more money he started searching for a new and more profitable livelihood.

Hussein got an idea of buying an auto and leasing it out which he did. This added another Rs.5000 to his income every month. His wife was keen on starting a business of selling artificial jewellery inspired by her relatives who were already in that business. They wanted money to invest into this business, so she pestered Hussein to close down hotel business and invest money in starting shop to sell artificial jewellery. Though he was not keen to close the hotel which was profitable he yielded to his wife's requests. So he sold the hotel and invested into the new business.

This business didn't take off well, after an year the business began to decline and the income stopped. Meanwhile Hussein's wife had also stopped making rotis. While all these were happening his son got an engineering seat in Tamil Nadu. But they did not have sufficient money to pay for the college fees. With no proper source of income, Hussein did not dare to take a loan. They also didn't want to stop education of their only son. So they decided to sell the auto and pay the college fees, which they did.

After a year they had to close the jewellery shop as they were incurring loss. Hussein became helpless. He had no money to pay fees for his son's second year engineering. He had to stop his studies and returned home. All these made him helpless and this helplessness made him sick. He became bedridden.

At present his son is working in a medical shop as assistant and earns Rs. 6000 per month. The entire family relies only on his income. Closing a profit making business and venturing into a business completely new to them and failing to anticipate growth of such business tumbled Hussein Sahib's family from a comfortable living to that of poverty. ■

# 'Yoga'kshemam

Monsoon makes its way, in its own tortuous way! Many parts of the country are reeling under severe drought conditions!

Of course, we remembered World Population Day (11 July). The themes of the year are 'everyone counts' and 'open data' for development. World's Population is reckoned at 6.8 billion, with India accounting for 1.2 billion in them! We were told that we will be the country with the highest population in 15-16 years!

International Cooperative Day (First Saturday of July – 3 July or 7 July) did go unnoticed! Nevertheless, it has reminded us of the seven principles of cooperation. A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise. Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. The seven principles of cooperation are: Voluntary and Open Membership, Democratic Member Control, Member Economic Participation, Autonomy and Independence, Education, Training and Information, Cooperation among Cooperatives and Concern for the Community

Writer's Day (8 July) reminded us we as a mankind are moving away from writing and may be reading. Still, writing (and writers) is the central instrument of articulation of all ideas, thoughts, feelings, emotions and experience. Books (Writers) still inspire and heal. Sometimes they stir you to soul searching. Of course, they take us to lose ourselves in our innermost!

Continued to live in the universe of the institutions of the poor and the vulnerable, their needs and the efforts meeting these needs! Still appreciating the architecture of institutions and their entire gamut of existing and potential activities! Wage-Job-Self-employment continuum has been consuming our time! SHGs vs JLGs, mF vs mF+, Livelihoods, Leaders, Collectives, Social enterprises, networks and consortiums, continued to dominate our thinking space, as always, in this month also. Project Design and Planning processes for taking the processes of building and leveraging the institutions of the poor for their better livelihoods and lives are gaining momentum across the country! Inching forward in stepping up the processes of finalizing and taking forward the business plans for L-info units!

Struggle to cope with the repercussions of practicing 'thought silence' is being intensified. The processes to learn to practice and appreciate the variety of hues, dimensions and planes that co-exist, co-evolve and co-guide me (us) and respond have begun. Flows beyond 2011 continue to evolve with these efforts and 'inner' guidance. 2010-11, dedicated to figuring out a coherent way for continual development of 'offering' – architecture, products and services, processes, contours – and plans of action (for serving the purpose of being useful), is unfolding intense and deep processes of reflection, exploration, arguments and dialogues. The momentum has picked-up.

Being useful is a function of useful thoughts for way forward. An early pioneer of new thought – Prentice Mulford – in his 'Thoughts are Things' – says that the key for way forward is

having thoughts for way forward. His summary includes:

- \* NEW thought is new life. It fills the person with joy. The blood in veins surges with a fresher impetus, lifting into ecstasy of emotion by a new conception. We desire and need always new and fresh thought.
- \* The consciousness of never-ending growth of improvement is also food for the growing mind.
- \* All experiences are valuable for the wisdom they bring or suggest. But when you have once gained wisdom and knowledge from any experience, there is little use in repeating it, especially if it has been unpleasant. Live in the pleasant remembrance (s), if you so desire. That will do you good.
- \* In all business, we must press on in mind to the successful result. We must see in mind or imagination the thing we plan completed, the system or method organized and in working order, ever growing stronger and more useful.
- \* Press onward to the thought of being strong, well and vigorous at that hour.
- \* Life is a continual advance forward. If we are advancing forward, it is better to look forward.
- \* Our thought is the unseen magnet, ever attracting its correspondence in things seen and tangible.
- \* Life means an ever-increasing freshness, an ever-increasing perception and realization of all that is grand, wonderful and beautiful in the universe, a constantly increasing discovery of more and more that is grand, beautiful and wonderful, and a constantly increasing capacity for the emotional part of our natures to sense such happiness.

Forget not to detoxify your body. I have been told ways to detoxify recently. These include: drink plenty of water, eat lots of fruits, whole grains, vegetables etc., increase intake of spices and take enough rest and exercise well. Rest is taken care.

In the confluence of the souls, and through the gentle flows of universe, we constantly seek new thoughts and actions based on these thoughts, playing to the tunes of the 'innermost'. This is reflected in our urge to evolve, transform and transcend into higher order oneness (yoga), beginning with oneness in all its dimensions. We are in the yogapravaaham, pressed on by yোগaalochana!

Can we lose ourselves in this? **Yes, if we pursue Atma Yoga.** In essence, Atma Yoga is constant seeking of truth (knowledge and reflection) of potential and instruments of realization, complete devotion and surrender to the universe, and dedicated plan and pursuit of action for being useful. In relentless pursuit of being in yোগaalochanaamritam!

Krishna confirms – wherever the mentor and mentee work together in knowing (jñāna), with devotion (bhakti), followed up with action (karma), there is yoga. There is union with the universe. Guaranteed! We become ekaatma. We become one and see universe within us.

Join us in the world of yoga – in all dimensions of our being and innermost - towards viswayogaalochanaamritasiddhi. You will not regret it. ■

**G Muralidhar**

# Sowing Hopes ...

