

# GROOTS

GRASSROOTS ORGANISATIONS OPERATING TOGETHER IN SISTERHOOD (SOUTH ASIA)

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*Editorial*

## **PROFESSIONALIZATION OF COOPERATIVES**

UN has declared 2012 as the *International Year of Co-operatives* highlighting the theme as “*Co-operative Enterprises Build a better World*”. The theme reflects the reality of enormous contribution that is expected from co-operatives - drawing the attention of co-operatives and co-operators both in India and around the world - in promoting/advancing social and economic development.

To recall the view of Late *Pandit Sri. Jawaharlal Nehru*, the first Prime Minister of Independent India, “*the foundation of Indian Democracy rests on three basic institutions - i.e., a village school, a village panchayat and a village co-operative*” which are its main pillars to promote the democratic way of life at the grassroots. The cooperative ideology thus aims to create a nation with equal



opportunity for all, emphasizing the need of economic freedom through non-violent struggle.

Our founding fathers felt that cooperative movement is undoubtedly an innovative approach to establish a socialistic pattern of society where there could be a balance between the individual freedom and the state control. To achieve the desired balance of development among the exploited rural masses who had suffered due to the colonial rule, the founding fathers visualized *co-operatives* as alternative vehicles to build a healthy and inclusive agrarian economy in India.

The Indian Co-operative Movement distinctively is the largest in the world, particularly, in terms of membership. This is evident as co-operatives can be



found in every village in India even today. Also, while most of these co-operatives were promoted mainly to cover a wide range of commercial activities, nearly 50% of them were developed mainly to deal with agriculture and related matters, as almost 60% of the Indian population is dependent on agrarian economy even today. But gradually, mismanagement/malpractices in co-operatives have made it very difficult for small/marginal farmers to access services from these outfits either for credit or for other related services that they so desperately require in rural areas.

Having placed the facts in a nutshell above, it is evidently clear that the co-operatives are at the crossroads today - whether they are placed in rural or urban areas. Though initiated on an ideological objective, these co-operatives in India gradually deteriorated as they slowly got to be controlled by the rural rich/politicians, who seldom visualized the need to facilitate the businesses/livelihoods of small/marginal farmers/entrepreneurs. The situation has become worse after the economic liberalization/globalization process.

Co-operatives had their upward mobility in the 60s in India as they were emphatic about the requirements of people and could play a very effective role particularly in textile, fertilizers, agrarian and consumer activities. Few of them were found in major towns as well.

Currently, majority of the co-operatives have failed to play a decisive role even in the economic ventures in rural areas through provision of credit, infrastructural facilities, marketing services etc. Consequently the agrarian economy is crumbling and as a result, there is large scale migration of rural

people to cities, and those who choose to remain in rural areas fall into poverty nets.

Having described the state of co-operative outfits in India, the current trends appear quite difficult for co-operatives and the key question is whether co-operatives can stand the global competition in their present state of affairs?

On the basis of reflective thinking, undoubtedly the co-operatives currently face a number of challenges. Lack of internal resources, lack of infrastructure, inadequate skills to mobilize external resources, apathy of members, lack of accountability of staff, democratically not having conducted elections for years, institutional sickness/dormancy and above all low level or nil professionalism are some of the key limitations. Infact, one single most important cause of all the above is the non professional handling of co-operatives as a business venture due to non availability of trained human resources to manage them. This has resulted in excessive government control and strong political interference giving place to control by vested interest groups.

On an optimistic note, a few suggestions could be made in this year of co-operatives - i.e., 2012 to restore these co-operatives to their earlier glory reminding them to their primary objective. Keeping the same in view, a few suggestions can be made but it is for the cooperators to take on these and implement them on the ground. Co-operatives can certainly help rural reconstruction in many ways and stop the rural poor from migrating to cities. This migration is the concern of everyone as it is clearly evident from the latest census that reveals there is mass rural migration resulting in an increase of urban population of nearly 90 million than what it was during the previous census. In this connection,

co-operatives have a primary role in serving the rural poor through credit/marketing and also effectively take up consumer activities so as to bring down the prices of essential commodities in selected urban areas too.

Co-operatives do have a role in facilitating the special single occupational groups in rural areas like fishermen/women and other entrepreneurs like rural vendors in rural shandies. Artisans/ craftsmen, handicraft producers/weavers who require credit assistance can certainly be facilitated. If they are not facilitated on time, most of them are pushed into poverty and debts caused by informal and/or higher cost commercial debt. Here, the co-operatives have a decisive role to play in providing working capital.

Infact, as a collective mechanism nothing should stand in the way of co-operatives as they can take on poverty alleviation, enhance food security and facilitate employment generation in rural areas and boost up the rural economy. The fact that the rural population are still impoverished today reveals that neither the private sector nor the co-operatives have succeeded in helping them.

Can co-operatives play an effective role in climatic change? Yes. India has a long coastline. Co-operatives can take up activities such as planting of mangroves in the coastal areas to save the coastal population in India from tsunami and other natural disasters. They can also encourage healthy fuel consumption activities by helping the rural people and acquainting them with smokeless Chulas. They can also facilitate the use of solar energy during summer as an alternative energy programme. All these programmes in co-operatives particularly in developing countries like India are possible because

the co-operatives are a collective mechanism/ leadership and panchayats can facilitate them.

The Indian Parliament recently passed the crucial Constitution (111 Amendment) Bill directing the co-operatives to insulate the co-operative administration, as the country owns six lakh cooperatives. Further the bill insists that within the objectives to strengthen this movement, the co-operatives have to free themselves from state control. The amendment also grants every Indian citizen the right to form a co-operative voluntarily as a human right insisting on autonomy and democracy with a dynamic professional approach.

While our co-operatives currently are far from this, the only way that they can emerge as a successful mechanism to help the rural/urban poor, and members is by adopting a good governance process and professional attitudes both of which will enable them to be free from state control. This will certainly make them deliver goods/services to the people whom they are expected to serve. India's 40% of the population being poor, the primary agenda of co-operatives today should be poverty alleviation. For this, the members of non-profit organizations have an imperative duty to relieve the co-operatives from state driven procedures so that they can serve the poor, excluded and middle class. Co-operatives have undergone a crisis of identity for long and it is about time that they rejuvenate themselves to the basic tenets of co-operation and thereby serve this glorious nation.

Since, co-operatives with all their flaws mentioned above happened to survive till date. Can one expect atleast in 2012 *in this year of co-operatives* that they too pledge to adopt *professionalization in their business models to become vehicles of inclusive growth in India?* ■

## VISITS

### U.S. Consulate General visit WWF



**US Consulate General disbursing micro-credit**

U.S. Consulate General, Chennai Madam Jennifer A. McIntyre made a visit to Working Women's

Forum (India) on 21 October 2011 to understand/observe the activities of the organization. On becoming familiar with the programmes of the Forum, the consulate showed interest to know the reason for the programmes being restricted only to three southern states and why a similar programme was not followed in the other southern state i.e., Kerala. Besides, the various issues handled by the Forum, members sensitization programmes, meeting organized for the members and the awareness created during these meetings, challenges faced by the organization and challenges faced by the members elected in the panchayat were the other issues discussed during the visit. Further she termed her visit as wonderful.

### PRESIDENT NCUI VISIT WWF



**Dr. Chandra Pal Singh Yadav at the inaugural training programme**

Dr. Chandra Pal Singh Yadav, President National Co-operative Union of India (NCUI) was invited to inaugurate ICNW's co-operative training programme on 30 December 2011. Received by the

President WWF and observing the activities of the co-operative bank ICNW, provided an opportunity to the visiting officials of NCUI to understand the work of the Forum/co-operative bank. While





**Dr. Chandra Pal Singh Yadav observing member's product**

delivering the special address he stated that the co-operative movement enables women from lower socio-economic groups to raise themselves into confidence, empowerment and blossom into entrepreneurs. It also raises the standard of living of the women and showed the promise of gender equality. Further complemented WWF for providing women with the skill and ability to earn a livelihood and make between Rs.2000 and Rs.5000 a month by training them in various trades. Later delivering the keynote address, Dr. Dinesh Chief Executive of NCUI, said the time was ripe for the rise of the women's movement. Women were heading different political and administrative establishments in the country and the potential for growth was rich. He also spoke on professionalization of co-operatives.

Mr. Geetha Krishnan, Director, Indian School of Business, Hyderabad spoke on structuring the training programme, entrepreneurial skill and marketing. Further interaction with the staff of WWF/ICNW provided a focus to design and schedule the forthcoming value-added training programme.



**Mr. Geetha Krishnan observing the training charts**

Welcoming the guest, Dr. Jaya Arunachalam highlighted on the various training programmes of the Forum and also the forthcoming training programme in partnership with Indian School of Business, Hyderabad that would take place shortly for trainers in WWF's headquarters.

President WWF Dr. Jaya Arunachalam's interview was telecast in Doordarsan on 19 November 2011 to commemorate the birth anniversary of the late Prime Minister Smt. Indira Gandhi.

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## STUDY TEAMS

Karthik Rao Cavale, Research Scholar, Department of Urban Studies and Planning, Massachusetts Institute of Technology (MIT), US visited Working Women's Forum (India) on 17 August 2011 to have first hand information on solving the problems of street vendors and steps to be taken by the government in addressing these issues. Interacting with the field workers enabled the scholar to extract solutions to solve the problems of street vendors. This is aptly evident in the following quotes “I got some extremely useful inputs on the subject of street vendors and problems. This has been an eye opening experience for me. It is very evident that WWF is doing excellent work and all members seem to be very proud of their membership.” ■

Aruna B, Research Scholar, Department of Management Studies, IIT- Madras visited Working Women's Forum (India) on 5 and 6 September 2011 to observe the social performance of the credit wing i.e., Indian Co-operative Network for Women as its operations differed from the functions of other institutions. Interviewing the CEOs, field officers, trainers enabled her to get an insight into the working of WWF/ICNW. Besides various issues on the strategies adopted to achieve social mission, role of field officers, mode adopted to encourage social performance to ensure ethical behaviour among field officers, client retention, etc., were discussed during the interactive session. ■

A team consisting of 20 students from Semester at Sea led by Professor Briavel Holcomb visited Working Women's Forum (India) on 14 October 2011. Highlighting the activities of WWF/ICNW/NUWW provided them not only an indepth view of the programmes but also the differences in the functioning from other self-help



**Semester at Sea students in WWF**

groups. The students community were eager to know the relation and interaction process of one member with the other members in the group, types of occupation they are engaged in, age of members, challenges faced by women, size of loan, marketing strategy, alternative business adopted by members during lean seasons, role of WWF/ICNW directors, election procedure, training modules, etc. On observing the programmes of the Forum the team expressed that “Working Women's Forum (India) is a wonderful place to raise awareness.” ■

A team consisting of fourteen students from Furman University, Greenville, South Carolina, visited Working Women's Forum (India) on 12 November 2011 to acquaint themselves with various activities



**Furman University students interacting with staff**

of the Forum. Interacting with the members and staff, they were curious to know the challenges faced by the grassroots women, patriarchy system, the status of women at present in their family and community. Narrating their experience in the Forum they said that it was a great learning experience, inspirational work and has great speakers who are full of enthusiasm. ■

Working Women's Forum (India) has been identified as an organization for internship programmes by many Indian/International universities. In this perspective, two PG students in Public Relations from Stella Maris College, Chennai, Ms. Khushboo Verma and Ms. Priyanka Karunan were in the Working Women's Forum (India) as part of their internship programme from 9 - 25 November 2011. The students were not only acquainted with all the programmes/activities of the Forum but were also provided an opportunity for direct interaction with the members in their workplace. Inspired with the activities of the Forum they felt that the services of the Forum and the progress of the members would surely inspire many people if the message of good work done by the Forum is spread across the country. The young students took the initiative to do a documentary on WWF women so that many women who are in need of facilitation from the Forum would

be benefited. Further summing up their views they said “we never assumed that the organization would inspire us in day-to-day life. Working Women's Forum is not just the place where poor women borrow money but also a place where poor women improve the quality of life by learning to establish their own identity. It is not just the place where Forum provides micro-credit to women but to motivate poor people to improve their lifestyle and earn the hard money, double it with the skills and confidence. After being with the members and staff at WWF we would like to state that it is an experience of a lifetime.” ■

Ms. Lea Jenkner, a PG student from Bonn University, Germany visited Working women's Forum (India) on 12 January 2012 in connection with her project work on street vendors. After a brief introduction with the President, WWF, supervisors and staff she visited the field to have direct interaction with the street vendors. Keen to know the experience of the street vendors, major problems faced by them in their life, perception of common man towards street vendors, impact of price rise in their day-to-day business enabled her to know the life style of street vendors and the nature of their business. Finally she termed her visit as very informative.



**Interns during field visit**



**Bonn University student in conversation with WWF member**



## PRESIDENT/DIRECTORS PARTICIPATION IN SEMINARS/CONFERENCES



**His Excellency Shri. M. K. Narayanan, Governor of West Bengal at Triplicane Cultural Academy**

Dr. Jaya Arunachalam participated in the Sixth Rajaji Memorial Lecture on China and India - More Rivals than Friends organized by Triplicane Cultural Academy on 28 July 2011. His Excellency M.K. Narayanan, Governor of West Bengal delivered the lecture and said China had begun to display a great deal of interest towards countries of the West. ■

Dr. Jaya Arunachalam as member of board in the Tamil Nadu Veterinary College and Animal Sciences participated in the review meetings of the board on July 22, 2011 and 29 September 2011. ■

Dr. Jaya Arunachalam participated in the NCUI meeting of National Co-operative Committee for Empowerment of Women on 11 September 2011 at Pune. While highlighting the significance of co-operatives during the lecture, she focused on the activities/ programmes of Working Women's Forum (India) through a documentary *Bringing Credit to the Cooperative*. The documentary film not only earned the best documentary film award from Andhra Pradesh government in the year 2005 but

also was well appreciated by the delegates too. Further she suggested that an expert when involved in the skill development programme would certainly enhance the latent talent of the craftsmen. ■

President, WWF was invited by the Syndicate Bank to deliver a lecture in connection with the Vigilance Awareness Week on 8 November 2011. The lecture threw light on impact of corruption in high places among the masses particularly the vulnerable and the poor and the role of civilian organizations in curbing it. ■

Dr. Nandini Azad as Board member represented Working Women's Forum (India) in the Global Microcredit Summit held at Valladolid, Spain from 14 - 18 November 2011. She chaired the workshop titled *How Can Microfinance Programs Help the Struggle Against Social Problems Such as Begging, Child Labor, Prostitution, Violence Against Women, Criminality, Gangs and Drug Addiction* that was held on 15 November 2011 and as a panelist expressed her views in the workshop on *How Can Microfinance Contribute to Restoring Dignity and Transforming Lives in Urban Slums* on 16 November 2011. ■

Dr. Jaya Arunachalam was invited to participate at the *National Symposium* of the *National Council for Cooperative Training* at *Natesan Institute of Co-operative Management, Chennai* on 28 December 2011. She spoke on the *Role of Co-operatives in Preventing Global Warming*. The audience queried whether the process of waste management is practicable, ways to stop migration,



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how to conserve water, governments help/support towards these ventures, role of co-operatives in reducing pollution in urban cities, etc. ■

President WWF visited Vellore branch in Tamil Nadu from 5 - 7 January 2012 to review its activities/progress. She attended the area meetings in Arani, Gudiyatham, Thottapalayam and Mullipalayam. Nearly 450 members participated in these meetings. Meeting the members, the President enquired on their requirements, progress in occupation/life and welfare. She focussed on existing activities/programmes of the Forum, steps to be taken to

initiate new ones, drawbacks of multiple borrowing and employment opportunities to the vulnerable in the Forum.



**Members expressing their views during area meeting**

## **TRAINING PROGRAMMES IN WWF**



**WWF's Members at Financial Literacy Training**



### **Financial Training Programme**

The Financial Literacy training programme was conducted in partnership with NABARD to the members of Kancheepuram and Adiramapattinam branches. Mr. Ravi Kumar and Mr. Sudhakar branch Managers from NABARD

participated in Kancheepuram and Adiramapattinam training programme on 22 August and 14 September 2011 respectively. The financial literacy training facilitates the women to understand their investment, spending patterns and become aware of the information related to savings, micro-insurance/ social security, etc.

## Skill/Leadership Training Programme

Indian Cooperative Network for Women conducted three day skill training/ leadership development training programme for 30 ICNW staff of 14 branches from 10 - 12 January 2012 in Chennai. This training programme was organized with a motive to impart the necessary knowledge/skills and competencies enabling them to utilize it in their day-to-day work. Resource persons Dr. Gopalswamy, Mr. Parameswaran, Mr. Venkatesh from Natesan Institute of Co-operative Management; Mr. Sridhar, AGM, Syndicate Bank; Ms. Rukmani, Retired Social Welfare Officer, Tamil Nadu Development Corporation; Ms. Puspavalli, Dy. Director, MSME; Ms. Jayanthi Krishnan, Manager, NABARD; Mr. Namasivayam, retired faculty from Gandhigram Rural University and Mr. Padmanabha Rao, Health Inspector, National Filaria Control Unit with specialization in their requisite subjects/field facilitated the training programme. Dr. Jagannathan, Director, Natesan Institute of Co-operative Management inaugurated the session and delivered

a lecture on the role, objectives and principles of co-operatives. Dr. Rangasamy, Director, NCDC, Chennai division traced the success of co-operatives in the economic empowerment and a documentary on Ancient Futures - Learning from Ladakh was screened that was well appreciated by the trainees.

Participants were impressed with the interactive participatory approach of the training. Ms. Hemalatha participant said “training is very useful where apart from knowledge it instilled courage where now she was able to speak with courage putting forth her view points in any place”. The training programme focused on effective communication, identification of projects, appraisal of loan borrowers, leadership qualities, role of field staff, hygiene aspects, accounting procedures, motivation, group dynamics, performance appraisal, customer service, skill training, internet and e-mail application.

The curriculum had been a relevant one to their day-to-day work where trainees said they learned a lot and would implement it in their work.



ICNW members exposed to the skill and Leadership Training Programme

## Highlight of National Programmes - International Year of Cooperative Cooperative Movement: Graduating from Auditoriums to streets



**Dr. Dinesh, Chief Executive NCUI**

At least for once the cooperative body celebrations would be based on the strength of common man and not on the strength of hired crowd. International year of Cooperative 2012 is being taken by NCUI and others quite seriously and marches, races and other visible activities involving common people are being planned.

Indiancooperative.com is happy to note that the movement is coming out of conferences and seminars which are notoriously attended by hired crowd and constant set of people.

Cooperative movement has to involve common man and IYC 2012 is unique chance to popularize the movement.

All possible preparations are already underway for the celebration of the international year of the cooperatives, we are putting in our best efforts in conjunction with various cooperative organisations to make it a grand success, said Dr Dinesh, Chief Executive of NCUI in an interview with the indiancoop.com correspondent here today in the capital.

NCUI recently organised a meeting of cooperative organisations to discuss preparations in progress for the celebration of the IYC 2012. All the leading cooperative organisations including IFFCO, KRIBHCO NCDC, NAFCUB, FISHCOFED, Sugar Federation etc attended the meeting, Dr Dinesh added.

According to Dr Dinesh, most of the cooperative organisations have promised to organise special activities during the IYC and give the IYC a particular mention in their advertisements. NCDC for example, suggested a march from India gate to Rastrapati Bhawan be undertaken to popularize the IYC among the common people.

The cooperative organisations are extremely enthusiastic about the IYC and using the IYC logo in all their projects and activities. Some organisations are still working on various ideas and plans for the IYC and will soon send them to NCUI for consideration. Some cooperative organisations are planning to hold competitions and contests.

There are also plans to organise workshops and seminars on various issues during the year. One such workshop will be held on the ecological issues, Dr Dinesh added.

Dr Dinesh informed that special efforts would be made to organise publicity for the IYC 2012 and print media, electronic media and air and Doordarshan will be used for the purpose. Several ministries of the govt of India including the ministry of finance and the ministry of agriculture will lend their support to the publicity campaign.

*Courtesy: Shri. Ajay Jha/ ShriManoj Kushwaha  
indiancooperative.com*



# GROOTS

May each day of the year

be vibrant and new...

bringing along

many reasons for

celebrations

Happy New Year

## WE NEED YOUR INPUTS !!!

Letters, Ideas, Comments, Articles or Contributions for our Newsletter

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## What People say about GROOTS

Congratulations on Hillary Clinton's visit. Visiting WWF and Kalakshetra has been for her a rewarding experience only Chennai could have given.

*Shri. Gopal Gandhi  
Former Governor of West Bengal*

Delighted to see the issue of Groots and seeing the wonderful work! U.S. Secretary of State Madam Hillary Clinton's visit is certainly a feather in WWF's cap and a true endorsement of many years of hard work by you personally and your team.

*Ms. Uma, Citibank*

I was deeply impressed by the warmth and inside knowledge with which the Foreign Minister of the United States greeted you personally and recognized the work of WWF. Well deserved.

*Dr. Klemens and Gaby,  
Former Official In-charge, BMZ, Germany*

Thank you so much for GROOTS issue 15 which I read back from my summer holidays with great interest. I thought for myself that it was only right that US Secretary of State Hillary Clinton honoured you and your organization with her visit in view of the tremendous work you are achieving for the benefit of the poor women in India. I wish to congratulate you most sincerely once again upon all your successful efforts.

*Mr. Dirk J. Lehnhoff  
DGRV, Germany*