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# NewsReach

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## LETTERS TO THE EDITOR

### Grassroots Values

When one opens mail and finds a newsletter, the tendency is to glance at it and put it away carefully with every intention of reading it later. Somehow, NewsReach doesn't provoke the same reaction. For me, I think it is partly because NewsReach is small enough not to look too demanding at first glance. It follows the bright practice of listing the authors and basic contents of each article on the cover itself (clever and handy) and the non-slick, non-glossy (is that complimentary or insulting?) appearance conveys that it comes from a value-based organisation and therefore, to be treated with greater regard.

But I think more than all of that, it is because the contents of NewsReach express the thoughts and experiences of people who are directly working with rural communities and who keep their language and expression at a simple and practical 'implementer-to-implementer' level. It is also basically honest, even if it means admitting that one's own actions could have created some concerns. Sankar Dutta's article (*Through the Fields of Rural Livelihoods*, NewsReach May 2003) was good though the concluding paragraphs were a bit inadequate and could be argued

with. Keep it going, NewsReach!

Vidya Ramachandran, MYRADA,  
Bangalore

### Completing the Picture

This is in response to Alope Barnwal's article, *Innovating on Irrigation* (NewsReach May 2003). I would like to add some more information to complete the picture. Let me first say that I have implemented the type of irrigation schemes that Alope has referred to in his article in Jharkhand in the early nineties. So I am fairly acquainted with both the technology and community aspects.

The article informs that presently 6 farmers are cultivating vegetables in the command area. Each farmer has 0.08 acre of area under cultivation. So the scheme irrigates a total of half an acre of land. The article also informs that the water flow from the scheme is 11.6 litres per second. The scheme is designed to irrigate at least 30 acres of land with this flow, hopefully to benefit at least the same number of farmers. The scheme would cost about Rs 1.5 lakh.

Such a scheme is typically designed for a large patch of cultivated levelled and *bunded* land. Irrigated agriculture has to



be undertaken in levelled land and is unsuitable for undulating *unbunded* barren and fallow lands. If the land is uneven and undulating, it needs to be levelled before cultivating with the help of irrigation.

I suggest that such a big scheme is not required to irrigate half an acre of land. Perhaps a dug well with a lifting device (3 hp kerosene or diesel operated pump since electricity is non-existent) costing about Rs 50,000 would be more suitable than the present scheme suggested by Alope.

The article concludes that as more farmers start utilising the system, the Pradan team needs to look at better management systems and frame rules for a large group to function smoothly. It appears to me that there is no other option but to level the land in the command area and to make a network of water channels in the entire field if we expect to cover all the 30 acres of land with irrigation. Secondly, to reduce water losses in the water channels, we need to either install a network of underground PVC pipes with openings in each field or pucca cement channels.

The article says that this modified system of irrigation applied water directly to roots and it resembles drip irrigation, a more efficient mode of irrigation. I understand that for this system to irrigate (apply water) properly, one has to take a plastic pipe to each and every plant. It is a labour intensive process and might be suitable for a very small plot of land of about 0.08 acre but infeasible for even half an acre of land leave alone a larger plot.

The article concludes that the need of

the day is to conserve water. Under this scheme water is being lifted from a stream to the field for irrigation. There is direct scope for conservation here. As one draws more water from a stream to the field crop, a portion of the water infiltrates into the soil. This water is conserved, which contributes to enhancing groundwater. Therefore, conservation of water in this context would be significant if one brings more area under irrigation and not just half an acre of land.

*Achintya Ghosh, New Delhi*

*We urge readers to freely share thoughts and responses to articles in NewsReach. Email your letters to pradhanho@ndb.vsnl.net.in or post them to Pradan, 3 CSC, Niti Bagh, New Delhi 110 049.*

## ANNIVERSARY SPECIAL

### Rooted in Professionalism

#### Pradan has played a significant role in inducting motivated professionals in the development sector

*Ajay Mehta*

My association with Pradan goes back to 1985. I had just joined Seva Mandir when I met Vijay Mahajan on a mission to finalise the placement of Neelima, a Pradan professional, with Seva Mandir. Her coming to Seva Mandir in October of 1985 was to mark a new phase in Seva Mandir's institutional life. From then on, scores of professionals joined Seva Mandir.

Neelima was the role model for Seva Mandir in promoting the idea of taking young professionals into the organisation. There was great a deal of resistance to the idea from among the existing workers. They feared that their authority and relevance in the organisation would be diminished. Being new and a junior in the management structure, I was not aware of the discussions that had led to Seva Mandir negotiating for a Pradan professional to join Seva Mandir.

Around this time Deep Joshi also visited Seva Mandir in his capacity as a programme officer for the Ford Foundation. I accompanied him along with other Seva Mandir colleagues on a long jeep ride into one of the interior villages in Jhadol block. We were out for most of the day looking at the work done under the "Lab to Land Programme" run by

Seva Mandir with the help of the Indian Council for Agricultural Research.

I remember this visit because I felt that we had not been able to show anything impressive and that Deep would not recommend Seva Mandir for a Ford Foundation grant. But that was not to be. Deep managed to pilot a \$1,00,000 grant to Seva Mandir for the purpose of bringing in professionals into the organisation. In hindsight, I realise that the grant to Seva Mandir made possible by Deep was part of his larger vision to strengthen the voluntary sector.

#### **Bold Vision**

At the time I had no idea of the connection that Deep had to the genesis of Pradan and that he and Vijay were part of the group that created Pradan. Looking back, it has to be said that the Pradan's vision for the voluntary sector was truly bold, significant and farsighted.

In the post emergency period, disenchantment with the state was widespread. The need for civic action to countervail the state and contribute to solving problems faced by our society was acutely felt. Pradan was able to translate this unease with the state into a programme of action. It was a huge



achievement. I recall hearing about the enormous effort put in by Pradan staff to recruit professionals and place them in organisations across the length and breadth of the country.

It was no mean achievement to persuade, cajole and browbeat institutions to change their ways and accept people who were the Pradan breed of voluntary sector workers. I remember feeling actually embarrassed as I would slink out our office while Neelima would be working away late into the evening.

### High Standards

The high standards of integrity, commitment and professional excellence required by Pradan meant that only exceptional people joined and survived in Pradan. The locations of work and the emoluments paid by Pradan made no concessions to normal middle class aspirations. It is remarkable that after 2 decades of existence the organisation has not lost momentum and its ability to attract highly motivated people.

Neelima came to Seva Mandir at a time when the organisation was in turmoil. There were differences within the organisation over who would take over the mantle of leadership from the founder President who had just passed away in June 1985. The atmosphere for work was not conducive for a young professional or to feel positive about working in a voluntary organisation and yet Pradan and Neelima chose not to abandon Seva Mandir. I mention this to underscore the high quality of leadership and motivation that informed Pradan's work.

A few years down the road Pradan made

adjustments in its strategy to strengthen the voluntary sector. From a position of trying to provide young professionals to existing voluntary organisations, Pradan decided to directly implement development programmes. This decision must have been based on the feedback from young professionals attached to institutions. They must have been thwarted in their desire to achieve significant results. Their talent and commitment must have clashed with that of old habits and dogma and also with the anxieties of peers who were less talented and motivated.

The decision to directly implement programmes from an operational point of view appears to be all too understandable. It would be a rare voluntary organisation that would cede initiative to a younger generation of leaders and simultaneously accept a different ethos to work. The resistance to such changes were likely to be enormous and could have derailed the very basis of Pradan.

### Direct Action

Here too the leadership of Pradan seems to have come good. Instead of being defeated by resistance of the existing institutions, they chose to go directly to the field with their vision of professional action for poverty alleviation and social change. The choice of direct implementation reflected Pradan's genius for action and quick thinking.

Having made this choice, Pradan confined its imagination to creating structures centred on the leadership and initiative of people drawn from the educated middle class, in other words, from the conventional class of professionals. What it didn't do was to experiment

with broadening the social base of leadership and professionalism in the sector. People differently qualified and differently motivated were not included in their strategy for strengthening voluntary action.

While such an arrangement makes sense from the point of view of getting development done efficiently in the interest of the most deprived sections of society, this model fails to democratise the social base for leadership for change and development.

### Modest Self-Definition

At another level, by staying within the conventional notions of professionalism, its choice of work tended to be economic in nature and less oriented towards altering social and power relations within society. This assessment of Pradan may be entirely mistaken, based as it is on anecdotal knowledge of the philosophy and work of Pradan. If however there were validity in this assessment of Pradan, then I would say that Pradan has been modest in its self-definition as an agent of change and public action.

The calibre of people that it has been able to recruit and their loyalty and commitment to the cause of poverty alleviation suggests that these people would have been up to the challenge of working to a more comprehensive view of social transformation. They could have engaged with people of diverse social and educational backgrounds in transforming their values and identities consistent with the idea of making our society more just. Pradan's original approach necessarily required this kind of engagement; the latter strategy

required that it be consciously introduced.

Pradan represents the best in the traditions of voluntary action in the country. It is an experiment that has succeeded and yet it seems to me that they have sub-performed, given their enormous success in attracting the best talent in our country for social change.





## Focussed Facility

**We need to develop specialised capabilities to promote and strengthen community-based institutions that are internally sustainable, self-help groups or otherwise**

*D Narendranath*

Anish has written about the discomfort that he has about projecting self-help groups (SHGs) of poor women as the best platform to mobilise large-scale credit for livelihoods from financial institutions (*SHGs not One-Stop Shops*, NewsReach April 2003).

He advocates setting up specialised business institutions for doing the same and says that the SHGs are much better equipped to handle small savings and credit, and of course to organise women against gender based discrimination.

He further opines that the high emphasis that we have placed on the financial systems of the SHGs, by way of our roadmap exercises and the concept papers, must be done away with because it is an unnecessary burden on the groups. The major apprehensions that he has are:

- The SHGs are not capable of dealing with large-scale finance. The groups do not have adequate systems nor do the women understand cash flow projections, risk assessment etc. These are just too sophisticated for them.
- The native skills and instincts that

the women use to 'assess' risk of a loan will not work the moment the amounts become large.

- It is improper to load the women with the 'messy' responsibilities such as credit appraisal, risk sharing, loan monitoring, enforcement of repayment discipline and so on, which are essentially the job of the lender.

He also makes the all-important point that access to credit is not the only facility that the poor require to earn livelihoods. They also need a variety of other services and assistance.

What Anish has expressed as his concerns has also been raised by many others and has been stated at a number of occasions. So it might be good for us to deliberate on the ideas that he has expressed.

### Specialised for Credit

Deep recently wrote to all of us, subsequent to the experience with ICICI Bank, when they insisted that they would like to finance the SHGs that we have promoted and not the co-operatives. He has more than adequately explained the conceptual framework on why this hap-

pened. It was sound logic for the bank to channel finance through the SHGs rather than the co-operatives because the SHG is a specialised institution designed for credit transactions. Thus Deep has in a sense responded to the point about SHG versus other institutions in credit intermediation.

It is true that we do not have too many examples in Pradan of having mobilised large amounts of bank loans through SHGs. But we do have some examples of SHGs that have gone up to a level of a lakh of rupees or more. There are a large number of examples of individual women of having taken loans of Rs 10,000 or more, which they have repaid on time. The same system works as for small loans.

It needs a little more work with these SHGs and of course the banks to scale up the volume of credit they leverage. If the question were whether it is sensible to link the SHGs to banks when the loan amounts are high, the larger question would be whether it is sensible to link the women to these large loans at all. If we are not willing to take the responsibility to see that the credit is utilised properly and is repaid on time, should we really get involved in such a process at all?

### Credit Through Co-ops

An argument that I have heard repeatedly is that repayment is ensured in a co-operative (or any such community based organisation), because it buys back the produce and loan instalments are deducted prior to distribution of revenue from sales. But this will actually increase the system load in the cooperative that is already involved in a num-

ber of other operations. In fact, the co-op here becomes the one-stop shop.

Even if this were to be done, it ensures credit to the family only for the activity that the co-op is engaged in. What about her other credit needs for other activities that the family is engaged in? Many of them may not be small credit. The system for credit delivery and recovery remains the same even for large amounts, as we have already seen in the SHGs. This is true all the more now with computerisation of SHG accounts.

The issue also seems to be that the SHG women do not have the ability to do cash flows and other projections. But is it not a responsibility of ours to see that they develop these capabilities? Is that not a part of livelihood promotion?

Promoting livelihoods does not mean addressing the issue of economic poverty alone. It also means that the basic capabilities of the woman is enhanced, not just to do an activity properly, but also to critically assess her livelihood resources and to optimise returns from them.

It is not just about teaching her how to fish, but about developing her competencies to the level where she can choose between fishing and something else. This also involves, on the other hand, demystifying the activities to the level where they are well within the scope of the women's abilities to comprehend.

An important point that has been raised by many is how correct it is to off-load the 'dirty business' of enforcement on to



the SHGs when it is the job of the banker. I feel that it is not improper. We know about the risks of 'adverse selection' and 'moral hazards' and the problems in enforcing loan contracts that the banker faces when working in the very poor and remote communities.

A banker just does not have the information to work with the poor, which also leads to a lack of trust. Much of reluctance that we find on part of the banker to lend to the poor has to do with these structural issues and less to an anti-poor attitude (I do not deny that there are anti-poor attitudes).

#### Peer Information

If the lender tries to reduce risks, he would have to deploy more staff time in the field (which none of rural branches have). Costs would shoot up. The micro-finance institutions in India and abroad charge anything from 28% to 45% per annum as interest from the poor to be sustainable.

They still resort to techniques such as joint liability groups or self-help groups because they find that none of their studies can substitute for 'peer information' that the women have. There is enough evidence to show that it is necessary to rely on the women themselves to ensure timely repayments.

The challenge is in preparing women to overcome the hesitation that they would have in confronting each other to ensure timely repayments. If a woman has joined an SHG with an explicit understanding of the terms of business, and systematically internalises the values and norms, there is no reason why she should feel bad if confronted on the

issue of not honouring commitments.

In fact it is good preparation for them to be able to perform their roles well in the co-operatives and other livelihood related groups that are set up later. Building the financial and management capabilities of the women is an essential component of SHG promotion.

#### Activity Associations

I agree that we need to promote activity associations wherever necessary. The areas where Pradan works are remote and with undeveloped infrastructure. Activity associations would need to be formed here primarily as mechanisms to achieve economies of scale in effecting market linkages.

As rightly pointed out, poor people in such areas need more assistance than just a channel for credit to set up sustainable livelihoods. There is no contest with that point. If the poor had a good channel for credit delivery, it takes care of their immediate needs for small savings and credit, which is worthy in itself.

It also provides them a channel to mobilise loans for a number of livelihood activities that are not credit intensive. Tasar rearing, vegetable cultivation, mahua trading etc. are examples of activities where the out of pocket expenses are small. Pradan can focus here on the technology and market and much less on credit.

The same logic could be extended to larger amounts of credit also. We should enable the SHGs to reach the appropriate level of financial sophistication and then concentrate on promoting and sup-

porting other aspects of livelihoods. SHGs are surely not one-stop shops.

#### Gender Issues

There is an extremely sad instance of an SHG member who gave up her life due to certain reasons that Anish alleges to as being related to her being a woman. All of us need to reflect hard on this issue. We all promote SHGs and other organisations with women, but how much credence do we give to the fact these women have their own identities and are as capable as the men in the villages?

Gender based discrimination is a structural problem in the society and the answer is in reviewing and if needed, correcting the ways in which we work with the villagers, both women and men. SHGs, clusters and livelihoods are all things we promote in the community but the way in which these are done differ from a gender sensitive organisation to an insensitive or blind one.

#### Agents of Change?

Do we see women as agents of change? Are the interventions we make empowering the women, or dis-empowering them? We have recently been highlighting that the first word in the expansion of SHG is 'self'. What difference are we able to make to the woman's perception about herself, her self-image?

This is something that we need to keep working at, even as we take up different activities with these women. Yet we also need to remember that these are problems with the social structure and such structural problems are addressed incrementally and not in one go.

My case is that we should not be trying

to create one-stop shops with any community-based institution, SHG or any other. We need to develop specialised capabilities within these institutions, which must only be formed with a focused purpose. Such a purpose again must be based on the strengths of the women. This is the basic principle of achieving institutional sustainability. There is no point in creating institutions that are not internally sustainable; it even could turn out to be harmful in future.





## Risk Management in Rural Gujarat

A comparison of the drought of 1987 with this year's drought has revealed several insights that would help manage droughts better in the future

Mihir R Bhatt

Since its inception after the 1987-89 repeated drought, Disaster Mitigation Institute (DMI) in Ahmedabad is regularly looking at how the poor in rural areas manage the risk of drought.

DMI is action-research and action-advocacy hub working at community level. DMI's 63 member strong team works from the grassroots to the national level on reducing risks by building food, water, shelter and livelihood security.

So far DMI has worked on 5 different droughts and in 2000 conducted a community-based review of performance of drought relief in selected districts in Gujarat. The drought of 2003 is being compared with 1987-89 by the media and NGOs for its severity, spread and significance. "In 1987 we started migrating out of our villages for an entire season in search of work and water. This year we are forced to leave for good. We are trying to come back with rains," said an interviewee.

### Drought in 2003

In June 2003, 6,000 villages in Gujarat were declared drought affected and 9,39,000 people worked at 11,000 relief sites. This cost Rs 114.47 crore (US\$ 25 million) to the government of Gujarat

till date. It is demanding an additional Rs 600 crore (US\$140 million) from the government of India.

Although there is no starvation reported, persistent under or malnutrition is reported on relief sites. Positive impact of supplementary feeding programmes and Integrated Child Development Scheme (ICDS) is reported in covered villages.

A large number of villages are being provided drinking water through tankers, trains and the just finished Narmada canal. Urban areas have faced drought much better in 2003. The city of Ahmedabad did not cut supply of piped water to its citizens.

Rajkot, where water riots were expected, survived drought rather peacefully. In many ways, the provision of water was better and effective in 2003. At the same time, running water tankers and trains is not a suitable solution for drinking water issue during a drought either in 1987 or 2003.

### Then and Now Review

The following risk management trends and issues have come out from the recent 'then-and-now' review conducted

by DMI in the villages in Surendranagar, Patan and Kutch districts of Gujarat.

Such 'then-and-now' reviews are not common. Very few relief efforts of the government, NGOs or international agencies are reviewed in India. And those that are reviewed are reviewed for a specific agency, keeping donors in mind and often immediately after the response. A disaster risk such as drought and other slowly unfolding disasters are often not reviewed. Their impact is often not as dramatic as that of earthquake or floods.

As a result, this 'then-and-now' review is of special interest and use. In the short run, the results of such review are useful to improve ongoing drought relief by public and private agencies in Gujarat. The results are also useful for donors in developing new and evaluating ongoing risk management programmes in India.

In the long run, the results are useful for insurance companies and multilateral financial institutions interested in supporting the poor in their management of risk of drought across the world. Five of the key findings from the ongoing analysis are presented here. The analysis is ongoing and interrupted due to flow of resources. These findings are selected to provide a picture of similarity between the 2003 drought risk management and 1987.

First, the households in villages currently suffering from drought have always planned and managed risks associated with drought. "What can we do? We save, borrow, sell, migrate or starve to manage drought risk," said a respondent

in a focus group meeting on the relief site. However, such risk management plans were periodic feature around 1987-89 and in 2003 have become a regular feature for rural families.

### Managing Drought

The poor are regularly planning management of drought risk. The drought risks are increasing hardships since 1987 — frequent short or long term migration increased from 35% to 45%, loss of key family and community assets rose from 30% to 48% and interruption of primary and other incomes from 60% to 80% — of the poor and limiting their access to water, land and forest resources.

"Where do we go? In the past there were some villages with food and others with water and so on and we could survive on that. But now the impact of drought on most villages is the same. All are without water and work," said a village cooperative leader during the survey. More importantly, the drought risks are keeping the poor away from the mainstream development process.

Second, the families in drought affected villages apply a range of risk management measures including cost cutting on consumption items (70%), migration (45%), sale of valuable assets (58%), trying harder to avail public works and relief work (47%), borrowing (59%), reduction in food intake (31%) and so on. The poor sequence these measures and time their actions.

The families in 2003 put in more effort in deciding the sequence and timing of these risk management measures as sequencing matters more than it did in



the past. Now poor timing of risk management strategy implementation is more likely to cause larger and longer damage to the household economy because of the repeated drought conditions and more dependence on markets.

However, the victim families in many locations in 2003 have more initiatives – private charity, local and international NGO guided relief, public relief, others – to choose from than they did in 1987–89. Food for work is being provided, livelihood relief is being promoted, supplementary food is being offered to children and widows, fodder is being provided to the cattle of poor owners and so on. This is not true for all the locations.

Third, the current spell of drought set in 1999. The years 2000, 2001, 2002 and 2003 were drought years. The 2001 drought was overlooked due to the devastating earthquake that took place on January 26, 2001 near Bhuj and the 2002 drought was bypassed by most relief agencies due to the widespread religious riots in Gujarat from February 27, 2002 onwards.

The drought is longer in 2003 and spread over larger areas in many villages. The impact of drought started showing as early as October 2002 in affected villages and showed in larger areas and more communities.

#### Increasing Risk

Drought is affecting more individuals per village in 2003 than in 1987–89. The exposure to risk is increasing. Repeated droughts since 1999 has brought in more families from the vulnerable category to the victim category in 2003. Not

only the landless labour but also small farmers and related groups such as food processors and horticulturists are being directly affected by drought.

"We have no spices to grind," said a spice grinder. "We have no seeds to sort," said a cumin seed sorter in the affected villages. Rural vendors of fruits and vegetables in small towns find little work. The fruit of desert, date (locally called kharek) has dwindled in numbers over the years and traditional yellow and red bunches hanging in the street shops are rare to see.

Rural transport has slowed down. Exchange of goods between villages has come down. Relatively fewer amounts of goods come to villages for sale and there is hardly anything to take out. This means that the categories of people exposed to risk has increased. Informal community response – sharing food, water and childcare – is reducing or withdrawing in 2003 in comparison to 1987.

Such social arrangements are fragmented over years and economic considerations have overtaken. But organised civil society response is increasing in many locations, which include NGOs, CBOs, and some (but not many) well-established traditional players such as panjrapoles (cattle camp) and sadavrats (food kitchens).

More and more international NGOs are visible in drought-affected areas adding their supply driven and 'move-in-move-out' right based approaches in the variety of local responses. Crop insurance is restricted to a small number of individuals per village demanding special review.

#### Short-term Measures

Fourth, today relief continues to be 'digging-earth-and-filling-holes' as said by a labourer on the relief site, as it mostly did in 1987. Putting people's creative skills to productive use is not high on the relief provision agenda barring few exceptions.

Further, the official relief continues to focus on meeting immediate fodder, water and consumption needs in 1,800 villages as it did for many villages in 1987. Almost all efforts overlook local production requirements such as credit, seeds, or other inputs.

The focus is on how to keep the victims alive during drought and not on how to improve their capacities to come out of drought and in fact, reduce risk of drought. When the drought relief stops, say around June 15, the communities will have to find ways for rehabilitation and recovery stages on their own. Some communities will make it.

Unfortunately several will not, who will slip into extended recovery. To be able to make it means being able to start life again by planting seeds, taking up artisan work and returning to original occupations and activities. Public investments in production requirements shorten the impact of drought risk and accelerate the rate of recovery.

Fifth, monitoring, measurement, and supervision of relief work on many sites is far better in 2003 in comparison to 1987–89. More individuals, more frequently and with more care, supervise relief work now than they did in 1987. So is local and international NGO response in selected areas. Such public

initiatives not only provide relief but also reduce the exposure arising out of neglect, poor performance or deliberate default.

Once the relief work is started a right-based approach makes more sense. However, conditions of many women and children on relief work site remain at risk – exposed to heat and without basic services – and unprotected now as it was in 1987–89.





## CASE STUDY

### Irrigation spells Prosperity in Kashikool

Irrigated agriculture, combined with credit from the village self-help group, has enabled villagers of Kashikool to achieve a measure of prosperity

Subhalakshmi Nandi

Pradan intervened in Kashikool village in Kathikund block of Dumka district of Jharkhand to help start a lift irrigation (LI) scheme in May 1998. The scheme, consisting of a pump and 5 outlets, cost around rupees one lakh, out of which the block authorities contributed Rs 90,000. About 25% of the total cost was borne by the villages in the form of *shramdan* (voluntary labour) to dig trenches and install pipes. Two operators were trained to operate the pump, for which they earned a commission. The user supplies the diesel and pays Rs 12 per hour towards the operator's commission and maintenance of the pump.

The Kashikool LI scheme enabled farmers cultivate a second crop during the Rabi season. Earlier, agriculture in the village was limited to the monsoons. Lilu Rai, the Kashikool LI pump operator, reported that his family has been growing potatoes, onion and garlic after the LI scheme was installed. The irrigation facility reached out to around 15-20 *bighas* of land per family.

#### Newfound Prosperity

The irrigation facility has made a significant contribution in the village's economy. The villagers have achieved annual food sufficiency. After harvesting a Rabi crop for the past few years, they now stock wheat for 8-10 months and mustard for 10-11

months. They are also cultivating onion, maize, garlic, tomatoes and gram (*chana*) after Pradan's intervention.

Lilu Rai says that he did not have to buy wheat and potato for the past 2-3 years. The agricultural productivity has also been optimised through the introduction of high yielding varieties of wheat that do not require much water. Pradan professionals working in the village have facilitated this.

Seasonal migration, another indication of the villagers' well being, has reduced significantly. In a village where most of the able-bodied men used to travel to West Bengal in search of employment, only about 4-5 men now travel out of their village to earn wages. This is primarily because there is much more work to be done in the fields.

Another crucial impact reported by the villagers is that after Pradan's intervention in agriculture as well as in forming self-help groups (SHGs), they have managed to free their land, livestock and other assets that were earlier mortgaged to *mahajans* (local moneylenders). For instance, 20 *bighas* of Lilu Rai's land was mortgaged at the time Pradan started its intervention. He has gradually freed most of his land. This year he will get all his land back from the *mahajan*.

One of the exceptions to this was Doongar Lal, who had been a part of an uprising against the suppression by the *mahajans*. At the time of his daughter's marriage, he had to mortgage his land to meet the wedding expenses. He took some help from the village SHG. Unfortunately, his son-in-law died and he had to borrow again to remarry his daughter. He has been therefore unable to repay his loans. He migrates to west Bengal at the peak harvest season (when wage rates are highest). At home, his wife Chashma Devi and his son managed to carry on with the agricultural activities. Since agricultural productivity has increased due to irrigation, they have been able to achieve food sufficiency despite the reverses. However, he is still wary of borrowing from the SHG since repayment with interest is still a problem. Nevertheless, seeing the success of others around them motivates him to go to considerable lengths to enhance his income despite all odds.

For most others, purchasing consumer goods such as bicycles and radios, and repairing and renovating houses have increased in the past couple of years. Lilu Rai said that he had spent Rs 4,500 on house repairs this year. Baldev Rai reported that he had recently bought a bicycle for his children and they were now demanding a radio. In short, the standard of living in terms of material goods has been rising steadily.

#### Felt Need

Within 2 years of installing the LI scheme, the villagers realised that they require greater investments to increase agricultural productivity. Hence, there was a felt need to systematically generate credit facilities in the village. The only source of credit thus far had been the *mahajans*, who not only charged high interest but also dictated exploitative terms to the villagers there-

by creating greater indebtedness and dependence.

Responding to the 'felt need' of the villagers, Pradan helped to promote a women's SHG in Kashikool. Initially the members and their husbands were suspicious about the group and did not want to borrow because they thought there would be problems in repayment. But over the years the doubts have died down somewhat. Today, Kashikool residents borrow from the SHG to invest in agricultural inputs such as seeds, fertilisers and irrigation and for healthcare and to buy consumer durables. They also borrow to meet expenses for social functions.

The members of the SHG are 18 women from various families in Kashikool. They save Rs 5 each every week at meetings borrow from the group when the need arises. The women earn this money by making and selling plates out of locally available sal leaves. Most of the women were illiterate but have learnt to sign their names after joining the group. The office bearers of the group have also gained confidence in dealing with bank officials. An example of this is Kusumi Devi (wife of Baldev Rai), who had never been outside the village without her husband before being involved in the SHG. She is grateful for the exposure that being a member of the SHG has provided her with.

Despite the SHG's strong presence in the village and its utility, the women still have a secondary status in the village. This was evident in the fact that whenever we spoke to any woman in the presence of a male member of the community, the woman was not allowed to respond to any of the queries. The men said that they would not be able to give us exact answers. The



women were even made fun of by the men in our presence. On speaking alone to some of the women we learnt that although the women run the SHG, many decisions regarding borrowing of money (how much to borrow and for what purpose), repayment, etc, were in the hands of the men.

Besides reinvestment in agriculture, easy access to credit has made it possible for villagers to seek medical treatment in times of need. An illustration is that of Lilu Rai, who was able to seek proper treatment for his father's illness in 1999 because the money was easily available at a reasonable rate of interest.

The villagers have utilised the community strength derived from the SHG to arrange for infrastructure required for agriculture. For instance, Lilu Rai reported that he and some other men from the village had bargained with a teacher at the village school (a Santhal gentleman called Shiv Kumar) to help them acquire a paddy-husking machine. Shiv Kumar had consequently provided the machine and it has been bought through the SHG.

#### Strategic Planning

Following Pradan's intervention in the village and the consequent rise in the standard of living for most families, there has been an increase in the villagers' expectations. Having tasted 'success', the people are hungry for more. They now plan strategically for the next season as far as agriculture is concerned.

Among the various strategies used by the villagers, one suggested by Baldev Rai is that they go to Karbinha *haat* (market) for their purchases since the market rates are lower. But when they sell, they go to Kathikund *haat* since they get better rates

for their produce. This kind of market savvy behaviour indicates how hard they try to maximize their profits. There are other instances of strategic thinking. For example, Lilu Rai cultivates onions only for personal use because the economies of scale are not enough to provide returns on investment.

Thus, the ability to think and plan strategically to ensure maximum returns has developed in the villagers. It should, however, be noted that those who articulated such visions were the ones who had greater exposure or a greater say in village affairs. Moreover, it was limited to only the men.

An interesting technique was used by one of the Pradan professionals in an attempt to find out how much the people of Kashikool value the LI scheme. He provided them with a hypothetical situation and said that if there were a condition under which the LI pump from their village was to be shifted to another village and that village was willing to pay Rs 1.5 lakh to acquire it, would the residents of Kashikool comply.

The response was unanimous. "We will go to any lengths to keep our LI pump in our village. We are ready to pay Rs 1.5 lakh ourselves. We will do all we can to raise the money - sell our livestock, borrow through the SHG. Each family would have to pay around Rs 5,000. Somehow we will manage but we will not let the LI leave our village," the villagers responded. This response is an indication of how much the LI means to them and how much they have benefited from it.



## TOOL KIT

### How many black dots have you saved?

A passbook based on the simple technique of shading dots has helped illiterate women of self-help groups to keep track of their savings in Sundarpahari in Jharkhand

*Binod Raj Dahal and Soumik Banerjee*

Phulmuni Liha of Belpahari village is shading the green savings card with a black pencil. She is marking a savings of Rs 5 made by her neighbour Sumanti Devi who looks on.

Some of the other members are also trying to shade the circles as cleanly as possible to mark each other's savings for the week. In another meeting at Bankathi village, the self-help group (SHG) members deposit Rs 2 each to buy pencils from the *hatia* (market) to shade their cards.

At Tasaria village *didis* shout enthusiastically when we ask, "Didi, how much are your savings?" A woman quickly counts the number of black dots and replies, "Rs 75 (about 15 dots)!"

All these members cannot read or write. In order to bring about financial transparency of at least understanding how much they have saved, we had introduced a pictorial savings card in Sundarpahari block of Godda district in Jharkhand.

Most of the SHG members here are illiterate and have no idea of what is written in the passbooks. Thus, the passbook becomes merely an object to be carried to

the meetings and given to the accountant. The women simply do not have the capability to participate in interacting with her very own passbook!

#### User-Friendly Passbook

For a long time we had been toying with the idea of developing such interactive, user-friendly systems that realise the user environment and capabilities and makes members aware of their realities, the savings in this case.

The idea was derived from the dot-shading technique used to mark answers selected in competitive examinations where darkened circles indicates the correct answer in multiple choice question papers.

Earlier we had used pictorial representations and created icon-based passbooks by generating icons for the passbook heads and developing a seasonal fruit and vegetable calendar (*The Colours Say it All*, NewsReach August 2002).

There were some problems with new members and groups trying to remember the symbols and the abacus based counting system. We therefore adopted this



simplest form of information depicting device.

This is a card about the size of the SHG passbook that has about 200 empty circles arranged in 10 lines each having 20 circles each. Each circle when shaded grey with a pencil depicts Rs 5 saved. There is a space for writing the name of the member at the top.

Thus the number of grey circles denotes the amount saved by the member. Each line of 20 circles denotes Rs 100 saved while the entire card of 10 lines or 200 circles denotes a saving of Rs 1,000 when she is eligible for a yellow card.

#### Dotted Path

We have already implemented this across 50 SHGs in Sundarpahari and it has brought about a remarkable change in the savings knowledge of the members. Earlier, when we used to ask, "Didi, what is your savings?" a woman would shy away.

We used to think that maybe the accountant does not tell her about her savings. Now she counts the lines and dots and answers accurately tallying with the passbook.

It has also brought out a visual depiction of comparison by which a sense of competition has developed where members want to complete a line quickly or look at each others cards to compare who has saved more. It is participative in the sense that members can themselves shade the dots (though initially the accountants helped).

We hope with this card all members who are on the other side of literacy can

recognise and understand at least the most basic information on how much she has saved 'on her own' of her hard earned money.



#### Write in NewsReach

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Caught in a dilemma?  
Want to share your questions?  
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Used a known solution to solve a new problem?  
Write in NewsReach.  
Did an article strike a chord within you?  
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## FIRST PERSON

### Close State Encounters

#### A personal account of working in a government managed project

*Zebul Nisha*

I am fine here and enjoying living in the hills. Through this article I intend to share my experiences with the government programme I am working for. As you all know, my purpose of taking a year's leave from Pradan was to experience functioning in a set-up other than Pradan, where I have been working ever since I completed my Masters in Agriculture Sciences.

Before joining this government project I had always seen developmental programmes from the people's or NGO's point of view. I was not able to understand why most government officers did not cooperate with Pradanites.

It is only after prolonged efforts that they try to understand what we do. I agree that some groundwork has been done but so many issues remained in my mind. When I joined this government programme in the hills, my strong motive was to help NGOs link with this system.

#### The Project

The government project is funded through multilateral aid and run by a government department in selected states since the past 4-5 years. The project is administered at the national level by a central unit, a lead training agency and a lead monitoring agency. State and district management units manage the programmes.

The state personnel comprise a director, coordinators for training and marketing, an accountant and a stenographer. The district personnel comprise a manager, a business development officer, an accountant and a stenographer. I was the manager of the district unit.

The government selects NGOs to implement this programme. Each NGO has to form and nurture a certain number of self-help groups (SHGs). These SHGs are supported by the project for 2 years.

It involves forming and nurturing SHGs, organising training and exposures for SHG members and leaders (basic training like SHG concept, accounts, leadership, gender issues, panchayati raj etc. and skill training for different income generating activities, exposure to block and district offices, sustainable entrepreneurship, etc.) identified in the area, opening SHG bank accounts, facilitation in SHGs meetings for inter-loaning, bank linkage and other government institutions, non-government institutions and project linkages.

The selected NGOs have to conduct all these activities according to a contract. They have to submit a monthly progress report to the district project manager in monthly meetings. They claim their expenditure from the manager.



### Slow Start

By May 2002 the NGOs had formed the stipulated number of SHGs. The progress in establishing the government set-up was slower and all the staff was in place only by August 2002.

I had the usual mixed experiences while working in the project. I had to initially set up the district office, including hiring office space, organising a vehicle, etc. I was alone for 7 months after taking over my responsibilities.

It was after long persuasion that another person was sent to join me and my team was finally built only by May 2003. I had to move and organise everything, as in Pradan, right from collecting bills, maintaining accounts, purchasing essentials for the office, xeroxing, to coordinating the project. It was only at the end of June that most of things were in place, as required to run an office, with staff and furniture fixtures.

My responsibilities included identifying training needs at the SHG and NGO level; field verification of various activities done by the NGOs; conducting meetings with NGOs for coordination; collection of progress report from NGOs; reporting monthly progress to the state unit; recommendations to NGOs for SHGs' training budget, training schedule and resource persons; collection of expenditure statements and recommendations for payment to NGOs; liaisoning with other departments and projects; and conducting training, workshop and exposure at the district level for SHGs, NGOs and line department and institutions.

A business development officer working

in my unit was responsible for helping SHGs in marketing their products and completion of task assigned by me such as field verification.

I found during my field visits that the communities knew a lot about NGOs. Five NGOs were linked with the project in the district, operating in 4 directions ranging from 15 to 140 km from our headquarters.

One NGO was new and wanted to stabilise its identity in the field and 2 NGOs were working in same area since the past 20 years. The other 2 older NGOs were working in new areas. One of these has a good image in the district and the state.

### Coordinating Role

I was to coordinate the project with these topographically dispersed NGOs. The project aimed at women's empowerment, organising SHGs and helping these SHGs develop linkages with resource agencies to take up economic activities and common activities related to villages.

The idea was to help poor women build identities and to facilitate recognition of women in panchayats and the society at large. The NGOs were involved in executing the project at the grassroots level and my unit's role was to monitor and provide support to these NGOs.

As I mentioned earlier, the project was started in January 2002 and the NGOs had formed SHGs in their allotted areas before I had even joined. These SHGs had begun meeting once in a month to save but none lent their savings out to members. Instead, they deposited their savings in bank accounts.

Depositing savings in bank accounts in

some cases incurred more costs than the deposited saving amounts, which was an extra burden on SHG members. The SHGs should have started lending within 6 months as per the agreements.

### Inoculating SHG Values

In most cases systematic inputs were not provided. For instance, NGOs should have given training to SHGs on SHG concept and accounts. The challenge before me was inculcate values of SHGs through respective NGOs and build my acceptance in partner NGOs. I visited regularly and succeeded in influencing the partner NGOs.

Most of SHGs started lending and increased frequency of meetings to 2-4 meetings in a month. This hastened the process of consolidation of the SHGs and helped in building identity and cohesiveness. I tried to make sure the SHGs met weekly so that they become strong. It was not always possible due to the hilly topography and the villagers' scattered inhabitation style.

There was a system in this area where all families have another house (locally called *chhani*) near their fields, which were often far from the village. During the agricultural season, young women and family members stay there to work in the fields. In such a scenario weekly meetings were not possible in all groups.

We however conducted trainings related to various aspects such as SHG concept and accounts and leadership. We also started income generation activities so that group members could understand the need of the group. I attended various trainings regarding SHGs as a participant from the project side and in most cases I was a resource person for the NGO staff to

conduct training effectively.

We organised a district level Mahila Sammelan on International Women's Day and I called leaders of the Sakhi Samiti (a federation of SHGs promoted by Pradan in Kishangarh Bas in Rajasthan, where I was first posted when I joined Pradan) as resource persons.

I tried to build the working capacities of the NGO personnel by conducting 2-day monthly meetings. These monthly meetings were also a forum for NGO workers to learn how to write progress reports, how to do bank linkages, etc.

Project progress in the district was good. We did highest bank linkages in the state. Around 10 SHGs started income generation activities like spice grinding and packing, rearing goats, patty shops, collecting forest produce (*tejpat*) and cultivating vegetables.

### Inbuilt Dishonesty

The inbuilt dishonesty at every level was an eye opener for me. I found that most NGOs showed expenditures exactly the same as budgeted in agreements and guidelines - neither more nor less. In many cases they even enclosed photographs of the same training exercise taken from various angles while billing the project for various trainings. This was a major headache for me while forwarding their bills for payments. Many times I returned bills and statements of expenditures.

It was painful when I heard from NGO workers about their payments. The NGOs were taking signatures on about one and a half to 2 times higher amounts than they were actually paying



to their own workers.

A de-motivating factor for the NGO workers was also that in some cases they were not even getting minimum wage rates. Since these workers did not have other options or the courage to write to me, they were forced to continue with the available employment.

I also found that some of my colleagues, all of whom had joined the project after leaving various NGOs, were also involved in making money by manipulating bills. I read in newspapers that our president A P J Abdul Kalam has a vision to make India a developed country by 2020. I am unable to understand how this is possible with the present socio-political scenario and how this may be changed to achieve a vision of developed country.

If I review my year spent in the project, during the initial 6 months, the working system was new and I learnt some new things about it. I enjoyed the change in the working environment, good weather and dealing with 2 good NGOs out of 5. Before joining the project, I suffered from continuous headaches but during the past one year, there was not a single headache to bother me.

Regarding my continuing in the project, I now think there are not many things to learn although there are possibilities to make small positive changes. There is no strong reason to continue for the next 3-4 years except beautiful sceneries and pleasant cold weather of the mountains.

*continued from page 23*

We have also made some progress in post-cocoon segment. One hundred and twenty *swarojgaris* (women members of self-help groups) are being selected so far for spinning and reeling. We plan to expand these activities to Hazaribagh, Koderma and West Singhbhum districts of Jharkhand.

So far 5 rearers' associations (Tasar Vikas Samities) have submitted applications for registration as cooperatives. On the marketing front, we have generated orders for 3 quintals of yarn in the past 2 months. We have generated orders worth Rs 32 lakh in the current fiscal.

Under the SGSY Special Project, we plan to pilot eri sericulture in Jharkhand and Bihar. In order to gain firsthand experience, 6 women from our SHGs accompanied by 4 men from the villages and an executive from Pradan's Godda Project had undertaken a study tour to Assam in July. The trainees have seen eri cocoon processing activities from yarn stage to fabric weaving. The women now plan to grow castor (host plants for eri silkworms) in 51 ha of land.

Castor will be grown primarily as an intercrop in the Arjuna plantations being raised this year. The women would start eri silkworm rearing from October. Additionally, they will get 400 kg of castor seeds for one ha of land. Expected income from one ha of land (where castor is grown as intercrop) would be about Rs 14,000 per annum.

## FIELD UPDATES

### Maize Intervention

We are intervening extensively in maize and pigeon pea (arhar) cultivation during the Kharif season this year. Two thousand six hundred and fifty families are participating in this endeavour. Maize and pigeon pea will be grown in more than 1,200 acres this season (see table).

Team	Acres	Families	Credit (Rs lakh)
Gumla	145	270	4.35
Lohardaga	200	550	6.00
Khunti	535	800	16.05
Peterbar	84	190	2.52
Barhi	180	620	4.05
West Singhbhum	145	220	4.35
Total	1,289	2,650	37.32

We have procured 9 tonnes of maize seed from various commercial sources. Arhar seeds were procured from an ICRISAT field station. We also procured 230 tonnes of fertiliser. The sowing in most project areas was below expectation due to the delayed monsoon. Each team is ensuring plot-by-plot monitoring of the progress of the crop.

There was a major problem of seedling rot in pigeon pea across the teams leading to suspicions of the disease being borne by the seed. This was followed by a major insect attack on the plants, which was subsequently controlled. The maize plants, by and large, are healthy except for stem rot problem at Peterbar, which was controlled

by timely intervention by the team. The expected yield of maize grain is 2,200 tonnes valued at about Rs 1 crore. We also expect a harvest of 300 tonnes of pigeon pea, valued at about Rs 36 lakh.

### Tasar and Eri Sericulture

Pradan has set a target this season of promoting 445 hectare (ha) of tasar host plantations on land owned by 682 families. Godda, Dumka and West Singhbhum projects are undertaking plantation activities. Accordingly, 160 nurseries are being organised in the villages. These nurseries are raising 20.10 lakh arjuna and asan saplings. Transplantation operations would be completed by August 25.

Seed crop rearing started on time. This time we have received about 1.18 lakh disease-free layings (DFLs) of basic foundation seeds from 8 Basic Seed Multiplication & Training Centres (BSM & TCs) of Central Silk Board (CSB). Hatching percentage has been excellent at 80%. Three hundred and six seed rearers are presently involved in seed crop rearing.

One hundred and thirty four *swarojgaris* have been trained in grainage operations of BSM & TC in Kathikund and Kharsawan. We plan to promote 112 new grainages this year. This, together with 132 grainages of the UNDP phase, would take the total number of grainages to 244. This year we will support a total of 3,030 commercial rearers.

*continued on Page 22*



- The UNDP organised a state level consultation for Government of India-UNDP project on "Social Mobilisation around Natural Resource Management for Poverty Alleviation" in Jaipur on July 28-29, 2003. The purpose was to share key elements of the project and refine the project strategy through brainstorming with key stakeholders. D Narendranath and Asif Zaidi attended the meeting and made a presentation on self-help group and livelihood linkages.
- D Narendranath represented Pradan in Sa-Dhan's board meeting held on July 15, 2003.
- Madhabananda Ray underwent an operation at Vellore and is recovering well.
- Manas Satpathy returned to work on July 1 after the accident that he and his family met with in March 2003.
- Pravas Chandra Das and Apoorva Shee were transferred from Dumka to Lohardaga and Godda, respectively.
- Sreerupa Sengupta of the 26th batch and Sumit Kumar Patnaik of the 27th batch of apprenticeships dropped out of the programme. Sreerupa was placed at Dholpur and Sumit at Balliguda. We wish them luck.
- Ashish Chakraborty and Sarbani Bose were married this month. Congratulations.
- Pradan's Executive Committee met from July 8-11, 2003.
- Pradan's Governing Board and Society met on July 12, 2003.
- Eighty three apprentices joined the July batch of apprenticeship. Twenty two have dropped out, 2 deferred their apprenticeships to the next batch and 59 are on board. Another 10 offers for the batch are still valid.
- Manas Satpathy, Deep Joshi and Nivedita Narain attended the Policy Workshop on Irrigation Development in Tribal India organised by the IWMI Tata Water Policy, as part of the second phase of the Central India Initiative. The workshop was conducted on August 8, 2003.

#### Obituary

It is with sorrow that we inform you of the demise of Dr Om Shrivastava of ASTHA in July 2003. Omji was a co-founder of ASTHA in Udaipur. He was well loved by those of us who had the privilege of interacting with him, as a member of the development fraternity as well as an accomplished trainer. We pray that his wife and son, Ginny and Vikram, and colleagues at ASTHA, have the strength to bear this untimely and tragic loss.





PRADAN (Professional Assistance for Development Action) is a voluntary organisation registered under the Societies' Registration Act in Delhi. We work in selected villages in 7 states through small teams based in the field. The focus of our work is to promote and strengthen livelihoods for the rural poor. It involves organising them, enhancing their capabilities, introducing ways to improve their incomes and linking them to banks, markets and other economic services. PRADAN comprises professionally trained people motivated to use their knowledge and skills to remove poverty by working directly with the poor. Engrossed in action, we often feel the need to reach out to each other in PRADAN as well as those in the wider development fraternity. NewsReach is one of the ways we seek to address this need. It is our forum for sharing thoughts and a platform to build solidarity and unity of purpose.



PRADAN [Professional Assistance for Development Action]  
3 CSC, Niti Bagh, New Delhi 110 049, India  
Tel/fax: 011 2651 8619/2651 4682  
email: [pradhanho@vsnl.com](mailto:pradhanho@vsnl.com)