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Aloysius Fernandez writes on people taking loans for treatment measures on private lands in a micro watershed. This article is an excerpt from *The MYRADA Experience* and was first reprinted in NewsReach in October and December 1999. He was the first chairperson of Pradan and is currently chief executive of MYRADA in Bangalore.

Letters to the Editor

Excellent Intervention

My first comment on NewsReach is that it is excellent and overwhelming in terms of the richness of news. I hope you will keep up the developmental effort being made through NewsReach. Pradan has been working in the development sector for a long time, has its own intervention policy and is working with a clear developmental perspective. I think the effort towards sharing its experience and knowledge with the outside world is in the right direction. I see NewsReach as a mechanism for sharing news that is important for development professionals at large. That is why I say that NewsReach itself could be a developmental intervention.

I particularly liked D Narendranath's series of articles on the concepts underlying the self-help group (SHG) programme (*Group Dynamics*, NewsReach July and November 2001). I would also like to add that this series should be continued. My experience with different organisations as a consultant is that there is a complete lack of the institutionalisation aspect, again as a concept, in the entire programme. In most cases, the programme grows on its own and the systems required for institutionalisation come in later. That is where the problem with funding agencies or within the organisation starts. The vision of the organisation that facilitates the concept is therefore very important. I however differ with the term Narendranath uses (promoters).

I wish that NewsReach takes the shape of a development journal in the future and carries the message that Pradan has to spread. Although I was never a regular staff member of Pradan, the developmental insights that I gained throughout my stay with the Pradan family is still my strength. My good wishes for NewsReach.

Snigdha Chakraborty, CEO, PRISM, Kolkata

Faces of Governance

I enjoyed reading Himansu Sahu's article (*How an Irrigation Project was Stalled*, NewsReach January 2002). Himansu has adequately described how the apparently simple task of implementing an irrigation project turned into a very complex task cutting across social, religious and economic configurations of a village in western Orissa. The article also provided a window of knowledge about the attitude and understanding of the biggest and most gigantic development organisation of our country called the government. It provided pointers to how it acts for the improvement of its clients, 'the disadvantaged village people' - the free citizens of village India.

Himansu has drawn some lessons from his direct involvement in this event at the grassroots level. I have however drawn another set of lessons from his article. The chief functionary of the district government had a good experience of irrigation projects that brought positive changes in the life of the farmers through his exposure to the work of a grassroots action

NGO to whom he had sanctioned the government's development funds. In his posting as the chief functionary of the district, he had asked the NGO to expand the irrigation work. A positive experience helped to replicate the work in favour of more disadvantaged villagers.

The closure of the specific scheme (Million Wells Scheme) did not stop the support. He found other schemes under the Integrated Tribal Development Agency (ITDA) to support the irrigation activity. The face of the government was positive, active, responsive, friendly and supportive. This is what the people expect from a democratic government.

However, the chief functionary was transferred and the new incumbent found the NGO an unknown entity. He remained passive and inactive to the NGO's proposal for irrigation projects. The head of the District Rural Development Agency was not supportive of the irrigation schemes for some unknown reason. The positive attitude of the government turned unfriendly, passive, unattached and unaccountable. Thereafter, acts of the government depended on specific persons rather than any specific system and policies. What a great difference it made to the lives of the disadvantaged in a democratic state like ours.

The new scheme under ITDA could extend support to only tribal families whereas the proposed irrigation scheme was designed to irrigate a contiguous patch of land that belongs to the entire village community who are socio-economically homogenous. The community of Brahmapanga, according to caste configurations, belongs to 2 categories (SC and ST). The government scheme therefore brought about a very clear-cut and major differentiation among them -- privileged (ST) and unprivileged (SC). There was no provision within the government system to reframe or redesign the scheme to avoid such differentiation.

The village is 42 km from the subdivision headquarter Baliguda where the government is located. Yet it reaches the interior village through its tentacles of schemes. It may not benefit the disadvantaged in the villages but can ensure harm in the community. I thank Himansu once again for teaching us a great lesson through his sharing of grassroots experience in NewsReach.

Achintya Ghosh, New Delhi

We urge all 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.

Forever Forests

Non-wood forest products could significantly impact livelihoods in a sustainable manner in areas where we are working with tribal communities

Soumik Bannerji

Vijay Mahajan's book *The Forgotten Sector* talked about the unrealised potential of the rural non-farm sector. It is time another book was written on the other forgotten sector -- forests. We seem to have largely forgotten the potential of forests, apart from tasar-based livelihoods at our Godda project in Jharkhand. In light of Pradan's mission of impacting livelihoods to enable rural communities, we all need to critically reflect whether we are impacting forest-based livelihoods.

We work in 7 states, out of which 6 are rich in forest resources to the extent of 2,13,699 sq. km, which is about 33.5% of India's total forest cover. Despite the fact that we work with forest communities in Madhya Pradesh, Chattisgarh, Orissa, Jharkhand, Bihar and West Bengal, our interventions continue to be lopsided towards farm-based interventions such as the triad of improved seeds, fertilisers and pesticides.

Handmaid to Foster Mother

The phenomenon is as typical as Indian forestry, which has developed from being the handmaid of agriculture to its foster mother. Various reports have time and again shown the importance of forests and natural enclaves. A report by Constanza *et al* in *Nature* magazine pegs the value of services offered by forests at US\$1,000 per hectare a year and that of croplands at US\$92 per hectare a year. This indicates a difference of more than 10 times!

Forests offer a large number of products such as timber and non-wood forest products (NWFPs). Many of these are becoming scarce while demands are increasing. It is therefore necessary to take a fresh look at forests as viable sources of livelihoods in a sustainable

manner. According to the Food and Agricultural Organization, NWFPs have a global market of US\$10 billion. The Indian NWFP market is about US\$1 billion annually. However, most of this trade remains unorganised in the hands of a long chain of market intermediaries who deal with a plethora of products and keep changing their occupations from time to time.

Most of the tribal communities we work with have been historically forest-based people who still depend on forests for various sources of food, fodder, fuel and medicines, and for recreational, aesthetic and cultural purposes. Even with these people we have focused on intensive agriculture, mostly in vain. My village study and livelihood planning in Sundarpahari block of Godda district have shown that a large portion of tribal incomes, to the extent of 30-50%, is derived from forest products. The actual percentage varies from year to year depending on the monsoon and agricultural productivity.

In Sundarpahari alone (306 sq. km), a number of NWFPs such as *mahua* flowers and seeds, mango, jackfruit, *sal* and *kendu* leaves and lac cultivation have potential to impact livelihoods significantly. To a lesser extent, products such as tamarind, *chironji*, *tans*, dyes and medicinal plants and herbs also have such potential.

Last year we had introduced trading of *mahua* flowers in the self-help groups (SHGs) of the

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Paharia community, who made a profit of Rs 14,000 by capitalising on off-season prices. The groups reinvested in cowpea (*lobia*) and expected a profit of Rs 10,000. Thus in one year they have generated Rs 24,000 through trading in NWFPs, whereas their 5-year cumulative savings was a paltry Rs 10,000. The groups were subsequently linked under the SGSY scheme and

have received a revolving fund of Rs 25,000, which they intend to invest in trading of *mahua* flowers again this season.

have prepared some value-added products such as *mahua* raisins, which we showed at Nirula and Wenger's confectionery shops in New Delhi. They have shown interest in the product.

We have decided that in the coming season we would collect *mahua* flowers on pieces of cloth to avoid the mud and dust. This process would make the clearing of forest floors and the firing process unnecessary, indirectly preventing forest fires. We have sent our raisin samples for analysis to the Central Food Technology Research Institute, Mysore as Nirula's had asked for nutrient analysis and calorie details.

Mahua raisin has a unique selling proposition since it is a forest product prepared without any high calorie additives. It contains less calories than grape raisin and is much cheaper. We are planning to market some of these to confectioneries in New Delhi and Mumbai. This year about 21 SHGs will be involved in *mahua* trading. We are trying to link all these groups under the SGSY plan to fully utilise the revolving funds for *mahua* flower trading.

Besides *mahua*, mango is another big NWFP in the region, where it is sold as green or dry (*amsi*) mangoes. We are planning to link up

dry mango products to bigger markets in West Bengal. This year about 5 SHGs are involved in mango trading. In the groups that were selling green mangoes, we are initiating total dry mango conversion because it immediately fetches double the price. In future we could look at mango products such as *amchur* (dry mango powder) or mangoes as raw material for the pickle industry. Surveys conducted in the pickle industry show the 70% of the pickles are mango-based.

We have also seen that huge quantities of *sal* leaves go out of Sundarpahari block to Godda town to be pressed into plates. We have plans to install 3 *sal* leaf plate-making machines developed by IIT Kharagpur to generate higher value for the same plates. In the process the price would increase by 10 times than what is prevalent at the village level. *Sal* leaf plates are exported from Kolkata at Rs 968 for a set of 50. It was used in the Sydney Olympics since it is biodegradable.

Huge quantities of green bamboo move out of Sundarpahari on every *hatia* (local weekly markets). The bamboo is sold at throwaway prices of Rs 10-15 for every 20-25 ft. The bamboo variety that is available in Sundarpahari is *Bambusa bhalooca*, which is used to make incense sticks. Every incense stick has a skeleton of bamboo strips. The Indian incense stick industry is worth US\$40 million. We have estimated that the same bamboo that is sold at Rs 15 could be sold at Rs 125 per piece if it is stripped according to specifications.

Kendu Capital

Almost every village in Sundarpahari can collect at least 50-100 standard bags containing about 5,000 *kendu* leaves (about 50 kg). At present the trade is largely in the hands of traders who have the license to procure all leaves in the region. Tribal women and chil-

dren collect leaves in May and sell it while it is still green at Re 1 for every 5 bundles of 50 leaves. The traders then dry and pack it by using local labour and then sell it in kilograms to *bidi* factories.

In Madhya Pradesh, Kendu Patta Samitis (*kendu* leaf committees) control the collection and trade. They get a bonus from the forest department in the process. But no such system exists in Jharkhand. Although this commodity was nationalised to prevent tribals from exploitation in the hands of traders, the reality has not changed much on the ground. This year 2 SHGs have decided to sell only dried leaves to traders to at least generate some profit through local value addition. We are also interacting with the forest department to allow *kendu* leaf trading rights to some SHGs.

Lac Lustre

A lot of forest products are used inefficiently and unsustainably. For instance, Kusum, host plant for one of the best lac in the country, is sold at rates such as Rs 30 per beam in the local markets when they could have yielded good quality lac. We have held meetings in 3 villages in Sundarpahari to protect Kusum trees. We also conducted a bio-resource survey in 3 villages that have about 300 trees. Even by conservative estimates, this could yield Rs 18 lakh. We plan to begin pruning operations in some trees this year.

Apart from these, Sundarpahari has a huge resource of medicine men, locally called gurus. There are about 100 gurus, i.e., about one guru for every 400 persons. This profession has become threatened as forests have retreated and medicinal herbs have become scarce. We have started preparing a 'People's Pharma Register' to document this disappearing knowledge. The register contains samples of plants and their parts used for medication.

One of the most common examples of unfair trade is that of the *chirayta* herb, known to be anti-malarial. This herb is sold at Rs 10 per kilo in Godda markets but costs Rs 250 a kilo in New Delhi. *Chirayta* is also one of the vulnerable plants as the whole plant is sold.

Guru Forum

We are trying to form a Guru Forum, where matters concerning the medicine men would be discussed every month. We are also conducting rapid vulnerability assessment (RVA) to identify the endangered medicinal plants and herbs. This year we plan to attend a 5-day training on medicinal plants at the Foundation for Revitalization of Local Health Strategies in Bangalore with some gurus for better understanding in this sector.

We are also promoting medicinal plant based treatment of diseases through SHG meetings rather than the expensive allopathic treatment provided by quacks in the villages. We have noticed that for ailments such as snake, insect and scorpion bites and skin and venereal problems, the gurus continue to be the first choice.

Apart from these NWFPs, Pradan is already promoting tasar rearing and grainages as a livelihood option in the block. Recently people in Sundarpahari have bagged the best rearer and best grainage awards.

Our objective is to create an NWFP-based co-operative in Sundarpahari that would be a federation of SHGs, Guru Forum and Tasar Cocoon Producers Forum. We could then ensure fair prices to the resources of the area that today flow out at highly unfair prices with profits ending up in the pockets of the intermediaries (See Box on page 6).

Ultimately we would like to see NWFP products selling as brands from exclusive outlets with

Factors important for the success of NWFP-based enterprises

- Support communities through clear land tenure and policy support. Where local groups are well organised and can control forest access, rural enterprises tend to fare better.
- Local processing is important. The key to success in NWFP enterprises lies in adding value to the products, which returns a greater portion of the final price to the people who manage the resources.
- Start with local markets because they are easier to enter and monitor than foreign markets. Enterprises may diversify to larger markets if such diversification is feasible in terms of sustainable harvests, product quality and investment requirements.
- Focus on quality products and building management and entrepreneurial skills. These elements can be supported through coalitions involving local partners, local and national NGOs and international technical organisations.
- Support NWFP enterprises through policies facilitating credit and trade. Coherent government policies that support NWFP enterprises are needed, including mechanisms to make credit readily available to small enterprises and removing counter-productive price controls.
- Make the most of local knowledge and resources. Maintaining cultural integrity remains an under-appreciated element in forest sustainability, particularly in remote communities and upland areas.
- Researchers should consider best available knowledge from traditional as well as scientific sources to optimise forest management and the contribution of NWFPs to the lives of the rural poor.

their unique selling proposition being that they are natural products prepared by the resource users in an attempt towards livelihoods not through destructive extraction but by sustainable harvesting. They would have their own niche by being 'green products'.

We could link up our products with a large number of agencies such as Fair Trade, Alternative Trade, Fair Trade Federation, Ethical Trading Initiative, Green Trade Net, Forest Trade and BIOTRADE. We could also link up with a number of organisations such as SAFAL to market our products. Today's urban consumer is extremely commodity sensitive, particularly in the West. Therefore it is not too unreasonable to hope that NWFPs would have good potential as a brand.

Dreams into Reality

All this might seem far-fetched today. But I am encouraged by our tasar initiative. Who would have thought when tasar began as a wasteland development programme that it would enrich so many lives? I believe every project of Pradan, particularly those in forest rich zones, should take a fresh look at forest-based livelihoods, make efforts to identify NWFPs that have potential and work to make them successful.

We have always lamented that our lift irrigation projects are not fully utilised. It is time we realised that for the tribals, forests are much closer to their way of life. It is their home ground. Since Pradan has such a huge spread in the forest areas of eastern India, we could look beyond improved agriculture and livestock based interventions. Tasar has introduced us to the business of NWFPs. Let us make forests everybody's business. It would probably be our only chance to promote sustainable livelihoods amongst the poor forest people and to save our forests from annihilation.

Planning Livelihoods

Training module for livelihood planning of self-help group members

Dhrubaa Mukhopadhyay

We strongly feel the need to understand the situation of every family of self-help group (SHG) members in order to help them take steps to increase family incomes. Livelihood planning is one way to do this. It is a complex exercise for any person, irrespective of social and economic status, because it integrates different levels of a person and family such as ownership of material resources, risk taking ability, urge to move forward, social customs and access to market, technology and infrastructure. We would like to facilitate this in such a way that a family can come up with a plan that is most suitable to them.

Savings and credit activities of a SHG provide a family an easily accessible mechanism to save, get emergency small loans (Rs 50-500) and access bank loans (Rs 1,000-2,000) that can be repaid within a short time. We have frequently found that after reaching this stage a family is either unable to cross the limit or starts defaulting on repayments. Several factors are responsible for a family not being able to develop further despite having access to a credit source. The members often have very limited vision about what they could achieve through the group, are often bogged down in their present stressed situations and fail to visualise a different and better future.

Our professional time has largely been engaged in forming new groups, instilling discipline, liaising with banks, organising training to strengthen groups and other activities to improve group functioning. We have not been able to create an opportunity where an individual member explores her situation and plans for larger amounts of credit for activities that would generate signifi-

Livelihood Planning Module

Participants: 30-35 women members of self-help groups with male counterparts from their families.

Trainers: 2.

Duration: 4 days.

Venue: Enclosed places like panchayat house and courtyards.

Content:

Exploration of the present profile of each family as well as the village.

Exploration of resources.

Looking at the past life.

Helping to set goals towards prosperity.

Helping to formulate strategies to achieve the goal.

Helping in estimating credit need.

Plan for repayment.

Eligibility: The groups must have taken their first bank loan.

Training material: Brown paper, chart paper, sketch pens, pencils, cutters, erasers, colour cards, glue, pictorial sheets for livelihood profile and income expenditure.

cant returns and would bring about considerable changes in her life.

When I heard about Jui's visioning exercise (*Daring to Dream*, NewsReach March 2001), I was excited about the scope of a training programme that motivated a member to set a goal

and form a strategy to achieve the goal. As a result, members became ready to take considerable risks and asked for larger loans (beyond Rs 5,000). I was slightly uncomfortable with the process because the credit plan that emerged was not supported by a sufficient database of the present situation of the individual family. The process did not make us, the facilitators, conversant enough with the resources of the family to convince financial institutions (banks) about the family's plan.

Dinabandhu's article on a training module for livelihood planning (*Learning Livelihood*, NewsReach October 2001) reinforced the

While sequencing the exercise I have tried to take note of components that are group exercises and those that are individual exercises.

approach of focusing on the individual by entering into her frame of reference. This helped a family to plan better for the future. After going through a PRA training, I found an effective medium to communicate with villagers and a way to analyse the data generated by them. I then attempted to

prepare a training module for SHG members to do livelihood planning by combining both Jui and Dinabandhu's approaches and innovating a little on my own.

The process of training includes:

- Introducing and explaining the purpose of the exercise;
- Exploring the past life of individual members in subgroups;
- Social mapping;
- Resource mapping;
- Resource flow mapping;
- Seven rivers exercise;
- Helping each family to prepare a table of income and expenses;
- Identifying the potential activities;
- Crossing rivers exercise;
- Selecting activities, exploring profitability,

forming credit and repayment plan.

While sequencing the exercises I have tried to take note of components that are group exercises and those that are individual exercises. Social mapping, resource mapping, resource flow mapping and positioning every member in the 7 rivers exercise are group exercises. The rest are individual exercises. The group exercises are about physical and external aspects and the individual exercises are internal and psychological that integrate the past, present and future.

On the first day of the exercise the participants and we introduce ourselves. Then we inquire about group initiation, expectations they had while forming the group, how the group has been useful to them and what they expect to get through the group in the future. We introduce the exercise in that context as a training that could help each of them think and plan for the future. We also brief them about the exercise and its duration. We emphasise participation of both spouses in the exercise.

Past Life Regression

Sharing of the past life of a member in the planning exercise has a background. In other training programmes we usually started with a session where every participant was asked to share the most happy and sad incident of her life. This served as an icebreaker and enabled the participants to open up. Listening to these tales created closeness and developed enthusiasm towards the training.

We however found that participants generally liked to talk about happy and sad periods rather than events. We then modified the exercise and asked each participant to share her past life in small subgroups. We found that this kind of sharing prompted people to

express themselves about certain aspects of their lives that had significant implications in planning. This sharing provides quality information on the member's family life and helps us to get into the member's frame of reference.

The group exercise of social mapping follows the inaugural session. Drawing social maps helps us as facilitators to gather baseline data about household details and also the distribution of households, indicating houses of SHG as well as non-SHG members. This exercise ideally should be done while forming a new group since it provides the baseline data for livelihood planning.

Nothing But Our Lives

Social mapping holds up a mirror to the participants. For instance, looking at her household details one woman observed, "We have nothing but only our lives." The map enables participants to see the entire village at a glance and start talking and thinking about the village. At another level, it asserts the women's capabilities to create something valuable because discussing a village map has traditionally been a man's domain. When I commented during one such exercise that it was like playing, the women protested saying they were dead serious about it. For some women, holding a pen for the first time was a memorable event. The map is also useful later when we have to refer back to household details while forming the credit plan.

To save time, we initially modified the original PRA process by asking the women to draw directly on paper instead of drawing it first on the ground and then reproducing it on paper. We modified the process again after getting Helzi's pictorial pages (*Internalising Learning*, NewsReach March 2002). Now we ask each member to fill up 2 copies of the

pictorial page, one for the map and the other for credit planning. It not only reduces time significantly but also involves other members, which was difficult in the previous method. It has become easier to internalise this and moreover, the women enjoy doing it.

This process has some disadvantages though. In the previous process there was a sense of creation in sticking cards on a blank piece of paper. By placing the cards in the houses drawn on the map, people not only started owning it but it also clearly indicated the differences between households. But the pictorial page is somewhat external. The pictures are all there and people only make marks.

Resource Mapping

On the second day we ask participants to extend the social map beyond the houses and mark resources such as homestead land, upland for paddy, low land, grazing land, wasteland, forest, different water sources, important trees and utilisation of different resources. For the facilitator, the purpose of drawing the resource map is to get an idea of the available resources in a village and to generate discussions on why and how they use the resources. It also helps to explore possibilities of using unutilised resources or the scope to improve the utilisation. For the villagers it acts as a reference point to discuss resources and find scope for improvement. The men in particular draw it sincerely and meticulously, showing their attachment to the resources.

We then continue the exercise into generating the resource flow map, where people not

For the facilitator, the purpose of drawing the resource map is to get an idea of the available resources in a village and to generate discussions on why and how people use the resources.

only see all their resources at a glance but also start thinking in terms of which of those are marketable or commercial. We ask participants to identify the products or services that go out of the village and that come into it. We do this by drawing 2 circles and providing cards of 2 colours signifying inflow and outflow. The participants paste the cards on the 2 circles. We then ask them to analyse the map and identify potential activities that have demand in the market.

We use an analogy of a leaky bucket to explain the village economy and show 2 ways to enrich the economy by increasing inflows and plugging outflows. The purpose of the exercise is to look at the present sources of income and discuss potential activities to improve the present inflows and outflows of the village.

Seven Rivers

The positioning in the 7 rivers part of the exercise follows resource flow mapping. By now participants have identified potential

We use an analogy of a leaky bucket to explain the village economy and show 2 ways to enrich the economy by increasing inflows and plugging outflows.

income generating activities. It is now necessary to identify specific activities based on an individual member's situation. At this point we introduce a flip chart where 7 lines denote the 7 rivers, starting with sadness and misery at the bottom and happiness and prosperity at the top. We ask every participant to mark their position on the chart based on their own perception of their present situation in life.

We then ask the group to provide reasons for individual positions on the chart and modify them if they feel so. We ask the participants to reflect upon this and discuss this with their family members. We also distribute income

and expenses sheets to individual families to study the headings at home and try to calculate the amounts wherever they can.

We start the third day of the exercise by looking at the previous year's income and expenditure of the participants. We first look at expenses and then at the incomes. We use a printed pictorial format instead of conducting the exercise on the ground by using cards and seeds because it takes up too much time. This session is usually an eye opener for the participants and is most appreciated by them. The sheet reflects many things such as patterns of expenditure, sources of income, coping mechanism, debt situation, level of food sufficiency, investment of surpluses and level of dependency on different sources of income. This exercise triggers thought towards actual planning.

We prefer to conduct this part of the exercise at a particular member's house. We have found that families transacting Rs 10,000-20,000 in a year are in a miserable condition, families transacting Rs 25,000-35,000 are food-sufficient and families who transact more than Rs 35,000 a year are ready to take considerably higher risks. At the end of the day we distribute cards to individual families to draw out their plans. We also provide another set of cards in case participants want to do this collectively or in small groups.

Crossing the Rivers

On the fourth day of the exercise we bring out the 7 rivers chart and ask the participants to mark how many rivers each wants to cross on the basis of her past and present condition. This indicates motivation and the urge to move forward. Once this is done, we start interviewing individual families to formulate specific credit plans. During the

interview we cover aspects that include present practice; present scale; present level of profit; expansion; capital required; contribution from home; support needed from outside, and repayment schedule, period and instalments.

This session is a detailed interview on the activity the family wants to take up and credit they need for it. Suppose a family wants to purchase a pair of bullocks, we ask about the crop the family wants to cultivate on how much land and the amount of profit they expect in a year. We thus arrive at the capital need and the repayment schedule for that particular activity.

We have found a lot of differences between families forming credit plans. Families who are already cultivating cash crops or rearing milch animals commercially find it easier to anticipate profits. But poorer families want to cultivate cereals, which have low profitability. Generally families headed by women are in a more miserable condition since they do not have sufficient land and are largely dependent on wage labour. They like to take up low risk activities such as rearing goats and pigs, which have low profit margins.

Community Feedback

We have found that women could understand the sessions separately and they could provide feedback on separate components. Regarding family profile women felt that it gave them confidence by filling out the form. They were more comfortable sharing the family profile through a written medium rather than talk about it.

We have also found that most people in a village cannot read the revenue map. But since they draw the resource map themselves, it is easier for them to understand it. Most

women, however, do not understand the implications of this map in the exercise. As far as the resource flow map is concerned, a comment by a poor tribal woman is revealing. She said, "Now we can see the difference between the *baniyas* (middlemen) and us. We have so many resources and they only have a bag and *paila*. Despite this they are constructing *pucca* houses and we cannot."

In the positioning in the 7 rivers exercise, every woman could relate her situation with respect to others. They start analysing why they are at a particular point and ways they could move forward. It provides an excellent way to motivate people to better their lot.

Scope for Improvement

The entire process takes quite a long time. We therefore feel that it should be done in phases. One important part that is missing in the exercise is that there is no way of relating the member's plans for higher loans with that of group activities. We could not also discuss group mechanisms to monitor an individual member's repayments.

The most challenging job for the facilitator is to make participants aware of the logical back and forth link between the different sessions. We could design a review session to hear them express their learning and see how one session leads to another.

In conclusion, I would really hesitate calling this exercise livelihood planning and training. It is rather a kind of economic growth planning since it does not cover many aspects such as linkages with the market and technology and Pradan's role in promoting livelihoods.

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Beyond Credit

Initiating and sustaining a transition from livelihoods to enterprise

V C Nadarajan

This paper describes the creation of a forum to promote community enterprise called Community Enterprise Forum India (CEFI), which was started in 1999 and registered as a trust in Bangalore in March 2001. Three agencies -- CCD-Madurai, SSP-Mumbai and IDPMS-Bangalore -- involved in economic development of rural poor communities in Tamil Nadu, Maharashtra and Karnataka are the joint promoters and co-workers in this effort.

The transition from livelihood to enterprise is constrained by scarce resources, low capabilities and limited markets. These constraints are compounded by social barriers and restricted mobility of most of the rural entrepreneurs. Formation of self-help groups (SHGs), co-operatives and federations represent efforts to collectively manage resources and strengthen their organisational base. These capacities then become the basis to negotiate access to institutional resources and support services to build viable enterprises.

Paradigm Shift

Upgrading community initiatives for enterprise promotion is directly related to commercialisation of subsistence activities. Promoting community enterprise thus requires a paradigm shift by financial and non-financial support institutions. NGOs require a shift from welfare to a carefully considered commercial approach.

The CEFI approach entails a 4-phase community enterprise promotion plan. Phase one entails creation and sustenance of an economic institutional base for the rural poor including SHGs and federations. Phase 2 entails exploration and documentation of livelihood activities with sustained market demand.

Phase 3 entails prioritisation of such activities, preparation of business plans and pilot testing. Phase 4 entails grounding of community enterprise.

The Covenant Centre for Development (CCD) is located in Madurai, Tamil Nadu. CCD works in the south Tamil Nadu districts of Virudhunagar, Sivagangai, Madurai and Dindukkal. Initiated in 1989, the organisation has been working actively with local communities since 1993 with the objectives of promoting community based organisations (CBOs) and issue-based networking and collaboration in larger geographical domains.

The objectives translate into 3 broader functional areas: addressing migration, promoting savings and credit groups (SCGs) for women, producer groups and federations, and revitalising local health traditions and medicinal plant conservation, cultivation and enterprise promotion. CCD does not avail donor support for SCGs, although cross subsidies from other programmes help meet the costs. The groups maintain functional books of accounts. Financial management systems are more comprehensive at the federations.

Promoting medicinal plant based enterprises to benefit group members (2,500) who are traditional gatherers and collectors of medicinal plants forms the crux of the CEFI attempt pioneered by CCD. The other 2 attempts initiated by the local community include charcoal production and trading in agricultural products such as tamarind and *neem* seeds. The volume of herbs supplied to GMCL (a public limited company promoted for the benefit of herb collector and gatherer groups) during 2001-2002

was 40 metric tonnes and loans to groups for charcoal production by SCG federations was over Rs 15 lakh.

Certain aspects are important while promoting community enterprise and associated processes, especially when it entails a graduation from village level SCGs (425 SCGs with a membership of 7,000) to area level federations (4 registered federations with 250 member groups and 2 in the offing) and later selectively to community enterprise activities.

What lies outside of credit?

Abundance of local resources and traditional skills (LRTS) is noted while working with the community. These LRTS have either become redundant or remain under-utilised owing to changed economic conditions and for want of supportive functional aspects like better technology for production and processing. Storage facilities, marketing arrangements, information availability, and legal institutional framework are some of the other limiting factors.

Why think beyond credit?

The local community and CCD believe that credit alone does not ensure economic development despite the fact that such development starts with credit. Old Ramnad Plains, where CCD initiated its work, is a drought-prone area known for seasonal as well as permanent migration of the labour force. While SCGs have enabled local resource mobilisation and utilisation for various loan demands of the women members, there is scope for improvement in the local economy by bridging gaps in certain credit plus areas such as efficient, cost-effective and safe technology and delinking of marketing from credit. Of the total funds turned over by groups since inception (Rs 1.45 crore), 13-14% has been to meet members' working capital and investment demands. This proportion could go up with

members accessing credit plus services.

An exploratory field survey was conducted in 1995 covering various LRTS-based activities in the project area. The output was a long list of 274 activities with a combination of location specific and unique activities (charcoal production from *Prosopis juliflora* - a thorny bush plant) and common (basket weaving, *kirana* shops, tailoring, etc.). A classified short list was made specifying the individual, group and community nature of activities.

The survey also looked at the records of the SCGs to find out the finance made available to members. While smaller demands could be met from group funds, larger demands remained either unmet or serviced by moneylenders at high rates of interest with interlocking of credit and labour markets and credit and pricing mechanisms. To fill these gaps, CCD thought of pooling the financial strength of the groups by forming federations. It also initiated linkages with financial institutions, banks, technology and marketing institutions.

What are the limitations NGOs face?

The limitations faced by NGOs include:

- Sporadic and project based approach.
- Successful as a facilitator to a limited extent.
- Ill-equipped to handle business transactions.
- Lack of ability to stay on in the market.
- Attitudinal difficulties to work for profit.

How to face the challenges?

Partnerships and willingness to be a long-term player are crucial. Enabling mutual learning across community clusters in the project areas of SSP, IDPMS and CCD is another aspect of the methodology.

Note: Those interested in more detail may contact the author at adharam@vsnl.net.

Learning in Village India

Students of Jamia Milia Islamia get their first taste of participatory rural development during an educational camp in Alwar, Rajasthan

Bharati Sharma

Last winter the students of the Department of Social Work, Jamia Milia Islamia, New Delhi, went to Nikach, a village in Ramgarh, Alwar, Rajasthan, for a 10-day educational camp. It was a part of the academic curriculum of the second year students of Bachelor of Social Work (BSW) and students of the Masters course.

The responsibility of directing the camp of 2002 rested upon me. In the summer of 2001 we requested Pradan if they could host the camp of approximately 40 students for 10 days in January 2002. We wanted to provide the students opportunities to understand rural life through concrete experiences in rural development so that they could

The decision to host the camp was left with the Alwar team. Such an approach by the head office of an organisation was surprising but fitted with Pradan's way of democratic and transparent functioning.

develop insights on need-based participatory development by seeing it in action. And Pradan was the ideal vehicle for that.

Nivedita and Smita of Pradan facilitated the process from the very beginning. They showed keen interest in the proposal. We discussed the details of our learning and teaching aspirations with

them. It was they who suggested Alwar since we had budgetary constraints. The decision to host the camp was however left with the Alwar team. Such an approach by the head office of an organisation was surprising but fitted with Pradan's way of democratic and transparent functioning.

We entered into a round of negotiations with Neelam and Navin, members of the Alwar

team. Navin, with the concurrence of Alwar's project co-ordinator, Asif, got involved in planning the location, logistics, broad framework and tentative programme of the camp. Navin and I prepared a strycture over telephone calls and a couple of personal meetings.

Destination Nikach

Navin recommended Nikach as the village for camping. The village school and a room in a nearby temple provided us with a congenial atmosphere for the camp. The entire village greeted us with open arms and warm hearts, which reflected the level of preparations made by Navin.

Nikach is a village of 12 hamlets with people from different castes. Such a variety allowed students an exposure to different socio-political structures and dimensions. For the purpose of the village study, students of MSW (Master of Social Work) were dispersed into the 3 hamlets of Motavas, Mevvas and Meruvas, which had different caste configurations. The students of BSW mainly concentrated on Motavas to develop a general understanding of village life. Their main objective was to work with the children. Their work in Nikach helped them to understand the difference between the children of the rural and the urban poor. The experience called upon their adaptability in working with them.

Nikach has 8 women's self-help groups (SHGs) initiated by Pradan as savings and credit groups at different times. To provide the students some exposure to the working

of SHGs, all 8 of them met in the school building. The women actively participated in the meeting till 12 at night. It was remarkable to see the deep involvement of the women in the whole process. Does this not also reflect the attitudes of the husbands in this endeavour of their wives? It also spoke volumes on the way Pradan must have built and nurtured these groups to enable them to reach this degree of motivation and commitment. It appeared as if the SHG was a mission not only for the woman but also for the entire family.

Students understood the importance of effecting a change in the attitude not only of the target group but also of the entire family. They observed the actual functioning of all the SHGs and interacted with the group members. The students were impressed with the mental agility and the democratic functioning of the so-called illiterate women.

Woman Power

The adjoining village of Nakhnol, about 2 km from Nikach, has 3 women's SHGs. We attended one of their meetings. The meeting was a live demonstration of the process of decision-making in relation to framing of rules about the beneficiary from among so many, how the defaulter has to be handled, rules in regard to repayment of loans and so on. We saw at the end of the meeting how the women were claiming their right on the Pradanite to seek his help in establishing a dairy. The relationship, which is one of the most important tool of a social worker, was evident not only here but throughout. The students were appreciative of the Pradan worker's patience, his skills and composure.

The commercial banks had written off Nikach and Nakhnol for purposes of giving loans as the villagers had a grim record in repaying

past dues. But the SHGs passed the acid test of the bank. The women members brought prestige back to the villages, which is an excellent reason for the men to support their wives in their SHG activities.

Pradan has, through these SHGs, introduced dairy co-operatives as a means of livelihood in Nikach. Similar efforts are underway in Nakhnol. One day at 7 in the morning all campers assembled at the milk collection centre in Nikach to observe the working of the co-operative. About 25 women contributed 60 kg of milk. The women brought the milk to the collection point themselves so that they have total involvement in and control over the dairy.

The women members brought prestige back to the villages, which is an excellent reason for the men to support their wives in their SHG activities.

The students saw all the stages involved in the process from that of measuring the quantity of milk and testing its fat content till the departure of the milk cans in the milk van. Interaction with the women on the spot revealed that all of them were aware of all the stages of dairy activity. The women told us that the villagers never perceived cattle beyond a means to fulfill their own milk requirement. It was the Pradanite who seeded the idea of milk as an economic proposition.

Land and Water

The vague understanding of the students about land development and watershed management was demystified on the second day of the camp when Navin discussed concepts and techniques based on ground realities and relevant structures. This opened new vistas of knowledge to the students. The students were keen to visit the sites. An afternoon and an evening were devoted to land development.

There were more remarkable experiences to follow. We saw how a group of illiterate, poor women from the bottom rung of society were managing a watershed.

Navin's efforts in land development has given students a totally new insight on the development of the village poor and its role in enhancing their livelihoods. The students saw how barren land was turned into a productive asset in less than a year. They realised that mobilisation and participation of the people was the cornerstone of the

entire initiative. It was clear that the land development initiative was based on the felt need of the people and was not a figment of the Pradanite's mind.

There were more remarkable experiences to follow. We saw how a group of illiterate, poor women from the bottom rung of society were managing a watershed. How could those who cannot even dare to lift their veil in a patriarchal society even dream of watershed management? But we saw it happening in Rasgan, a village near Naogava, which is about 40 km from Nikach. The Pradanites have been igniting this fire in the women and have mobilised them to this initiative.

No Longer Frail

Two women members of the group, Raji and Laxmi, went with us confidently sharing their knowledge and know-how of watershed management in the undulated area for at least 5 hours. Raji, a frail, unassuming, Muslim lady of Rasgan is no more a meek person. She is a firebrand with Himalayan resolve and strength. She and other women no more hesitate even to approach the district collector for the sake of their work. She manages her family affairs at the same time. Her husband supports her and shares her work at home. We bear witness to his looking after their small children while Raji went

with us to show us various structures of the watershed over the hills and the plains. Is this not empowerment?

But this success is not without its concomitant pinpricks. Women have struggled hard with their husbands and the families to come out and get involved in this venture. But they always had tacit support and understanding of the Pradanites who have enabled them to fight their own battles both in private and public life. Even now they have to take up cudgels with powerful villagers. This is to highlight the metamorphic changes in women as a result of need-based mobilisation, which was pertinently observed and noted by the students.

The Panchayat Meets

A camp in rural India can never be complete without meeting the panchayat and understanding how it functions. Navin organised 2 panchayat meetings for the students to gain from this experience. One meeting was with social leaders that also comprised former panchayat presidents. The other meeting was with the Ward Sabha (council). The students had a lot of questions on issues of functioning, in relation to the new amendments and women's reservation in panchayats.

They realised that the understanding of development has changed. The president said that earlier development meant roads, schools and hand pumps. But now development means reduction in the number of BPL families, the poorest of the poor owning cattle and all the agricultural land made cultivable. Economic development and better lifestyle have become priorities. The students felt inspired because it meant that Pradanites have been successful to make a dent on the stereotypical attitudes of people towards their own development.

The students' observations and interactions during the day were consolidated by their writing daily reports in small groups at the end of the day and presentations of the reports in the larger group. These were followed by feedback sessions consciously and meaningfully utilised toward generating learning through open dialogue. It may not be inappropriate to mention here that Navin lived almost all the time with the students and played a major role in contributing to the students' learning in the backdrop of sound social work values.

Bidding Adieu

A cultural programme cum village meeting was organised on the last leg of the camp. Early in the morning in the biting cold all the campers were out on a *prabhat pheri* (morning march) singing tunes and inviting everyone to that forenoon's cultural programme. The whole school compound was full. It was well attended by women as well as men. The children were all over the place. The students of BSW had helped the school children to prepare skits, songs, action songs and dances. These were presented before the villagers. The campers presented some socially relevant items without giving any advice or message. All were highly appreciative of the way their children were involved in the entire affair.

In the end the campers provided feedback to those who attended the gathering. They thanked the SHG members of Nikach who took the load off the students in preparing *rotis* so that they could spend more time on learning. The group members prepared *chapattis* in rotation from wheat flour supplied by the campers. But more than that it was no mean achievement on the part of the illiterate and poor women of the village to be instrumental in the learning of urban

Delhites and teaching them the nitty-gritty of successful SHGs and dairy co-operatives. The student campers thanked the villagers, particularly the women, to have contributed to their learning.

The following day was the day of painful parting. The students packed their bags and gathered near the bus at the entry point of the village. A large number of women, men and children had gathered to bid us farewell. It was a moving farewell with choked throats. Many were seen holding their tears back with great effort. The students have not just attended the ritual camp or added to their repertoire of professional knowledge and skills but have returned with a relationship with Nikach that they would cherish.

At the end of the 10-day camp we can safely say that over and above the group living experience, the student campers must have developed some understanding of rural people and their life and a conviction that livelihoods and empowerment are feasible through savings and credit SHGs. They learnt that relationship is the vital key a worker must carry in his kit along with other things to open the door to facilitate change and development. The intense experiences of 10 days made the students realise that "even I can be a torchbearer."

The students learnt that relationship is the vital key for a development worker. The intense experiences of 10 days made them realise that "even I can be a torchbearer."

Reviving a Watershed

People take loans for treatment measures on private lands in a micro watershed

Aloysius Fernandez

There are 16 farmers in the Jadetadihalla micro watershed (MW) of Myrada's Huthur Project. Years ago the forest department had arranged to divert the waters of a *nala* (stream) towards their land, about 2 km away, by flow irrigation. Although investment was made to divert the water, the project was left incomplete. Also, no effort was made to organise the people to manage the system. As a result, the project did not become operational and the system silted up.

These 16 farmers, belonging to several self help groups (SHGs) that had been functioning for some time, decided to do something about reviving the irrigation system.

These 16 farmers, belonging to several self help groups that had been functioning for some time, decided to do something about reviving the irrigation system.

For those who have not visited Myrada SHGs, it is relevant to point out that Myrada does not operate as a financial intermediary. The SHGs that it helps to identify and train operate not only as micro finance institutions (saving, lending and recovering) but also take up issues that affect the members' sustained progress such the need to send their children to school, to give up excessive and unnecessary consumption, as well as issues that affect the village as a whole, such as sanitation and drinking water.

More importantly, the members learn how to conduct meetings, to arrive at a consensus and to keep records and accounts. They are therefore credit plus institutions. It is because of this experience that these members of various SHGs were able to come

together not only to revive the irrigation system but also to lay the basis for their sustained livelihoods.

Bonding over Water

These 16 members came together to form another SHG that also functioned as the watershed development association (WDA) since all the members of the SHG had lands in the MW. This institution will be referred to as SHG/WDA. It should be noted that these farmers resigned from the other SHGs of which they were members.

When their decision to form a new SHG and their plan to revive the irrigation system was discussed with Myrada early in 1995, the people were encouraged to function first as an SHG before taking up the activities of a WDA. After a few months, when we observed that the SHG was meeting regularly and planning the future based on their members' strengths, the issue to revive the irrigation system was taken up.

Myrada meanwhile had calculated that the farmers could return the money invested on their lands and proposed that the farmers rely on loans for watershed treatment on their private lands rather than on grants. The SHG, after several rounds of discussions, agreed. We agreed to support all treatment on common lands through grants (See Table 1). Since Myrada itself does not give loans, it was agreed that we would provide a grant to the SHG/WDA, which would convert the grant into loans for treatment on private lands. The repayment schedule for the grant was spread over 5 years. The SHG/WDA later decided not to charge interest on these loans.

The SHG/WDA decided to begin by treating private lands that had the highest potential for returns. The total area brought under irrigation in the first 2 years was about 35 acres. The SHG/WDA decided to treat the remaining lands that are privately owned by extending loans from the amount repaid. This process will go on until all the private lands are treated either by terracing or *bund-ing*. Because of the availability of flow irrigation, farmers invested all the loans on terracing lands that had the highest access to water.

Loans were extended during 1995-96. Out of the Rs 59,454 recovered within 2 and a half years, the SHG/WDA advanced a sum of Rs 45,260 to 8 farmers as a second loan. Once again the SHG/WDA decided not to charge any interest. The schedule of repayment was agreed upon in each case. It should be noted that only 2 farmers were overdue in December 1997.

There are no recoveries as yet under round 2, partly because the maize has not been sold and partly because the flower crop was a failure due to lack of water. It will be interesting to see how the WDA manages this situation since this is the first time that a crop

has failed. As there is no SHG in this watershed, the farmers borrowed a sum of Rs 17,000 from the bank in 1996 for agricultural inputs. This was repaid and a second loan of Rs 30,000 was taken in 1997.

Only Half the Story

However, from Myrada's experience, financial investment is only half the story. Investment in the social sector is equally important. Over the past 3 years this SHG has participated in 10 PRAs, exposure visits and training programmes. Besides, the SHG/WDA has met over 60 times. There are also institutional developments, which the SHG/WDA put in place to support this initiative.

However, from Myrada's experience, financial investment is only half the story. Investment in the social sector is equally important.

The SHG/WDA has set up 2 sub-committees. The first monitors the treatment on private lands. Its functions include supervision over bunding, terracing and biomass plantation. The second sub-committee plans treatment on common lands and monitors implementation. These 2 sub-committees will dissolve when the work is completed.

The SHG/WDA has also set up 2 committees

Table 1: Investment in Jadetadihalla Micro Watershed (in Rs)

Myrada grant to reconstruct the irrigation system	44,136
Myrada grant to de-silt and stabilise the channel and treatment of common lands	70,688
Bank loan for agriculture @ 12.5% interest in 1997	17,000
Bank loan for agriculture @ 12.5 interest in 1998	30,000
Myrada grant to the SHG/WDA for treatment on private lands which the SHG/WDA converted into loans	138,139
Total financial investment from 1995 to 1998	
Grant	114,824
Loan	185,139
Total	299,963

Table 2: Work Done on Private and Common Lands (in Rs)

Sl.	Activities	Achievements	Loans	Grants
1.	Land Terracing	212849 cft	183,400	0
2.	Nala Treatment	493 rmt	0	12,575
3.	Block Plantation	750 sdls	0	950
4.	Bund Plantation	4,500 sdls	0	4,000
5.	Vegetative Check	2,000 flds	0	1,000
6.	Silt Trap	1	0	34,018
7.	Channel Cleaning	1.5 km	0	13,545
8.	Road Repairs	1.5 km	0	4,600
	Total		183,400	73,688

that will continue even after the treatment is over. The recovery committee looks after the recovery of loans and accepts repayment both in cash and kind. The maintenance committee manages and maintains treatment measures both on private and common lands as well as of the irrigation system. This committee comprises 6 farmers selected from the SHG/WDA.

The WDA co-ordinates the functions of these committees. It takes the initiative to organise the distribution of water, to arrange for agricultural inputs, to establish linkages for credit and marketing, to call on technical support when required and to resolve conflicts. Whenever requested, Myrada staff support the SHG/WDA. The WDA has not yet decided to charge for irrigation water, but the issue has been raised. The WDA maintains a good system of records and accounts to which all members have access.

This case study does not assess the rise in incomes and the changes adopted in the social sector as it would deviate from the primary focus of the study namely, can and will the people take loans for treatment on their private lands? Besides it would considerably

increase the length of this case study. It must, however, be mentioned that the crops have changed from *ragi* to paddy (main crop), which has assured irrigation. Maize, flowers and cotton have been introduced for the second crop, which depends on the availability of water.

This year (1998) for instance, the second crop was partly a failure due to shortage of water. Discussions with the farmers indicate that between 95% and 98% of the repayments have come from the increase in income from agriculture. The SHG/WDA has also taken up a village road construction and drainage programme.

Table 2 provides information regarding the quantum of work done both on private and common lands as well as the grant and loan components in each activity as on March 31, 1998.

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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.



Professional Assistance for Development Action (PRADAN)

3 CSC, Niti Bagh, New Delhi 110 049, India

Tel/fax: 011 651 8619/651 4682. E-mail: pradhanho@ndb.vsnl.net.in