

**MYRADA**

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### **Civil Society and Food Security**

## **The MYRADA Experience with Self Help Affinity Groups as the institutional basis for food security**

*Paper presented at the*

### **Welthungerhilfe Regional Workshop**

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To quote from the background paper provided for this regional Workshop : “Welthungerhilfe firmly believes that only the development actors in the partner countries themselves are able to fashion and ensure **societal change** and development in a **sustainable** manner”. (Key words: Change, society and sustainable). However, given the broad spectrum of civil society institutions on one hand, and the focus of Welthungerhilfe on hunger and malnutrition on the other, these key words need to be interpreted (to my mind) with respect to a focused and limited objective in order to develop a manageable strategy. In this case the objective is : “to ensure that the poor have sustained food security and nutrition “. Without this focus, the debate on “civil society” covers such a broad set of actors and objectives that the mission of Welthungerhilfe will tend to get dissipated. A further danger is that an unbridgeable gap may be created between a mission statement of its role in civil society which Welthungerhilfe may adopt, but which will be far broader than the core mission of Welthungerhilfe which is focused on eradicating hunger and malnourishment.

This paper holds the position that in Myrada’s experience, Self Help Affinity Groups (SAGs) are civil society institutions of the poor where they set their agenda to come out of poverty (including hunger) and stay there. This position is not an a priori or a theoretical/ ideological one but emerges from 25 years of promoting, studying and assessing the impact of SAGs. This paper also holds that this experience shows that the poor choose as a first step, to set up and manage a “socio- economic space” where they gain confidence and skills through interaction and decision making related to savings and loans to raise resources to support each family’s livelihood strategy which comprises several activities. This socio- economic space which is provided by the SAG, is the first stage in their growth strategy and is based on their ability to be increasingly independent for essential needs like consumption credit, jobs and other favours from the powerful. Once this is secured, they proceed to the next stage to expand their influence in the “political” space where they feel confident to change or bypass social, economic and political power relations which keep them under the control of the powerful who traditionally have not allowed the poor to access resources or to undermine their self interest . Experience over the past 20 years shows that the poor require these two stages to achieve sustained food security. The confidence acquired in this exchange and the awareness created by the NGO involved, also helps them to create balanced gender relations in the home which has an impact on food security and nutrition for women and girls. The assumption that the poor can move straight away into the political space to change unjust relations or tackle gender biases (which many civil society activists assume) is not supported from evidence emerging from the

agenda that SAGs<sup>i</sup> set for themselves. Let us now consider the three key words within the limited objective of ensuring food and nutrition security of the poor.

**1.Change** : The Objective of introducing change, I assume, is to ensure that the poor have their fair share especially of food and nutrition and that they reach a stage of sustained food/nutrition security. But in many societies this is not just a matter of better soils, balanced inputs and technology – though these are also critical components which need to be provided. The **causes of food insecurity** (which are often ignored but increasingly becoming more evident--- **and where civil society institutions can play a major role** ) are also the following:

i) **Lack of POWER** : In many areas food production by the family is inadequate since the small and marginal farmers do not have access to adequate support in terms of credit due to limited outreach of banks and their conditions for lending which are formalised and standardised with which the SAG members cannot easily comply. This results in the poor resorting to loans from moneylenders at high interest rates and land mortgage leading to loss of land. Further the poor are not provided with quality inputs due to corruption and do not receive their share of water due to control by vested interests. To add to this, the markets are manipulated by the powerful. Provision of technology and inputs is not adequate to ensure food security in these areas. Hence to reach the objective of food/nutrition security, change in existing power relations is required. Briefly Myrada realised in the early 1980s that : **It is not enough to teach people to fish when they cannot reach the river due to obstacle of class, power, etc. and if they reach the river, they find the rights to fishing already captured by powerful. Power was a major factor in the equation. Civil society institutions have the potential to play a major role in changing these oppressive power relations.** The SAGs (whose members are the poor) and their federations have shown that they can change these power relations in their favour over a period of time once they had acquired confidence, skills, adequate resources and other support to stabilise their livelihood strategies and reduce or remove their dependence on the powerful for their basic needs. ( For more on this see Box below on the origin of SAGs. Briefly the SAGs emerged from a power struggle when the poor revolted against those who controlled the Primary Agricultural Cooperative Societies.)

*A brief history of how SAGs emerged and became part of national policy:*

*During 1982-85, Myrada worked closely with Primary Agricultural Cooperative Societies. We discovered that only the President and two or three other powerful people captured all the credit at 7-9% interest and then on lent to others at rates ranging from 30% to 60% depending on their position in the village. The poorest paid the highest interest rates and were also obliged to work on the farms owned by those who controlled the Cooperative Societies. We decided to make the poor aware of their situation; as a result they refused to return loans to the Cooperative .They decided to return loans to Myrada. We refused . They came in groups of 15-20 to talk to us. We suggested that they form a group and return the money in small weekly instalments to the group. This was how the Self Help Affinity Groups started. They were born out of a power struggle. They turned out to be real co-operatives owned by all the members and promoted the good of all. Myrada then provided institutional capacity building(ICB) which helped them to take on new responsibilities. We assisted them to develop books of accounts and attendance, minutes of meetings etc. Then in 1986-7 Nabard provided Myrada with a grant of Rs 1 million to match the groups savings and to train them in ICB. After several studies, and three policy changes which allowed Banks i) to extend one bulk loan to the group and the members to decide on individual loans ii) to lend to groups which were not registered but functioned like registered societies ; Myrada's survey showed that not one SAG wished to register since they claimed it would make them vulnerable to a petty government official and iii) to lend without physical collateral – the SHG bank Linkage program was launched by Nabard in 1992. In 2000 the SHG model was adopted country wide and provided with budgetary support by Government of India. There are over 80 million poor in SHGs today. The target approach after 2000 adopted by Government and the focus on credit delivery after 2005 adopted by the Banks and financial institutions – which reduced the SAGs to a mere link in the chain of credit delivery - undermined the potential of the SAGs to be real civil society institutions with their own agenda .*

ii) **Biased gender relations** : In large pockets of India, women(mothers) usually eat last; they are left with the remnants; they often do not eat enough to satisfy hunger ; but more importantly, they are also malnourished. They are left with the curry without the egg (which men and boys who eat first have consumed; this also applies to the girl child. If the NGO involved makes the SAGs (both of men and women) aware of gender biases in the home which cause violence, hunger and malnutrition, they can play a major role in balancing gender relations at home which in turn will address the causes of hunger and malnutrition.. This has been Myrada's experience. For example the SAGs in Myrada decided in the early 1990s that any family not sending their girl child to school would not receive loans; they also took steps to intervene in cases of domestic violence and to create awareness of the need of pregnant women and girls to receive additional food and nutrients.

iii) **Some Government programs** in order to project a more populist image, focus only on food security when it is equally or more important to also tackle malnutrition due to lack of protein, fats, iron, calcium. Malnutrition needs to be addressed along with hunger, since statistics indicate that malnutrition is a far more serious problem than hunger in India. One example of a lack of an important nutrient-iron- manifests itself in anemia which has a serious impact on a large number of women/adolescent girls. The impact of malnourishment in youth and adulthood is well documented and is vividly manifested in the high rate of anemia.

Anemia	NFHS-3(06-07)	Myrada study 2010
Pregnant women	63%	72%
Women in reproductive age group	52%	66%
Adolescent girls	51%	47%
Adolescent boys	26%	-
Severe anemia children – Male	2.9%	} 4.75%
Female	3.5%	
Anemia in men	19.1%	

NFHS:National Family Household Survey.

Note : The Myrada survey was limited to three underdeveloped taluqs and hence the level of anemia could be higher than the national survey. But it does show that **malnourishment is far more widespread than hunger which – according to most national surveys and studies - does not go above 15 % of the population.** Though power ( or perhaps the quest for power) may not be playing an explicit role in establishing the priority in these schemes, it is surely an underlying factor.

In large parts of rural India, jobs have been provided and wages have increased (often due to Government programs like NREGA but not only because of them) and so has monthly consumption expenditure according to the recent NSSO survey of consumer expenditure<sup>1</sup>. As a result, the number of families reporting that they go hungry has declined considerably. I have not seen any

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<sup>1</sup> The NSSO survey of consumer expenditure fielded during July 2011-June 2012 which is regarded as a better reflection of the level of well-being shows a high growth in monthly per capital expenditure (MPCE) in both rural and urban areas. During the previous two years the NSSO report shows that the growth of nominal MPCE in rural India has been nearly 38% compared to 34% in urban areas. In real terms (discounting inflation) growth in rural areas has been 17.4% and 12.8% in urban areas.. Partly due to high inflation rate in urban areas (19%-17%) and steep rise in wages in rural areas. MPCE growth is higher than per capital income growth. This is partly due to fall in savings rate – since 2009-10 household savings has declined about 3 percentage points of GDP from the peak rate of over 25%. But also partly due to income not being accounted for. Food consumption patterns have also changed. Between 1993-4 and 2011-12 the share of cereals in consumption halved from 24.2% in rural areas to 12% and from 14% to 7.3% in urban areas. Rural folk have shifted to milk, eggs, fruit, and nuts.

survey that gives a figure of over 15% over all; though there are surely areas in some states where there are large pockets of hungry people (20-40%)

The NSSO survey indicates that consumption of cereals has declined to about 10 kgs per month on average - from double the quantity in 1993-4. The demand for quality cereals, which the public distribution system does not ensure, has also increased. On the other hand, the cost of pulses, milk, vegetables and eggs which are foods critical to address malnutrition, has risen sharply both due to increased demand- as family expenditure increases and food choices shift from cereals to these foods - and the rise in costs of inputs. Yet Government is offering more cereals (Food security Ordinance)- which is welcome, but is doing very little to reduce the cost to a family of pulses, milk, vegetables and eggs which are required to tackle malnourishment. Hunger (lack of food) exists in India but in certain areas (more pronounced in certain seasons) of certain States which suffer from poor infrastructure, violence and poor/no governance. Food (cereals) need to reach this target audience - about 15-20 % of the total population. Malnutrition however is far more widely spread in India than hunger and the numbers are larger than those suffering from lack of food (cereals).

Briefly Power –more precisely unequal power relations - play a major role in hunger and malnourishment. Yet no UN Document, no document of any major Govt. development Institution recognises POWER as a major critical factor in hunger and malnutrition, of for that matter in over all underdevelopment - though there is recognition of gender biases –unfortunately not clearly related to food security . This is a blind spot. The other blind spot is market forces. Government development schemes do not take the markets into account...but that is another story. Food/nutrition security therefore implies interventions to change power relations in society and in the home.

**Welthungerhilfe's strategy for change** : It partners with NGOs/CSOs ; these fall into three broad categories: i) **Activists** - whose image is generally of one individual ; they play a role in challenging accepted practices/policies/plans that affect the environment, raise issues related to food security, womens rights, land rights etc. demand change and get media attention which is important. Many head small NGOs and find fund raising difficult. Social media has mobilised group activism in cities – the example of men and women protesting in Delhi against the rape and murder of young woman is an example. Wethungerhilfe, I expect, finds it difficult to support such activities directly since many take (or are seen to take) positions contrary to the Government in power ; many also operate in the political space. Yet if Welthungerhilfe is serious about supporting civil society, it needs to find a way to support at least those activists who focus on tackling obstacles related to hunger and nutrition, since civil society institutions often originate from such movements; besides media coverage which focuses on activism also helps to influence policy makers. Perhaps a Venture capital fund held at arms length from Welthungerhilfe may fill the gap.

ii) **Actionists**- Welthungerhilfe partners with a large number. Myrada is an example ; they are involved in implementing programs related to sustainable food production for marginalised, reducing risk in dryland agriculture and increasing productivity through watershed management, the balanced use of fertilisers and organic farming with Integrated Pest management, providing sustainable incomes through aggregation, value addition and marketing small surpluses, improving health, gender relations, education, housing, sanitation, education etc. Many are large NGOs . Their objective is to ensure food/nutrition security in a sustainable manner for each poor family. Their sources of funds are Donors, Government, private sector and contributions from people themselves.

iii) **Institutionalists**; (for want of a better word).Many Actionists are also Institutionalists; they promote a strategy to build peoples institutions which conceptualise plan, implement and sustain interventions/actions which provides the basis for their sustainability as well as for future progress

and growth. Myrada is both an Actionist and an Institutionalist. Its mission is “ Building poor peoples Institutions” . It promotes peoples institutions which are appropriate to the resource to be managed and/or the objective to be achieved. Experience has proved, that these institutions are powerful instruments for change in power relations in the local area as well as to sustain the impact of livelihood interventions which provide the basis for food/nutrition security.. Welthungerhilfe has supported NGO Institutionalists. Weltungerhilfe may find it difficult to fund the peoples institutions directly due to several legal hurdles and the large number involved. Myrada’s experience in building institutions which now manage their affairs in a sustainable way will be described under the third key word “sustainable”.

**2. Societal change :** This brings us to the place and role of civil society institutions both at the base (fully participative and owned by the members –e.g. SAGs) and at higher levels which are representative institutions ( e.g. Community Managed Resource Centres, Producer collectives, etc. )

The place and role of civil society institutions which have the potential to trigger change (resulting in a shift in power relations) in society has been reduced significantly over the past 15 years. Resources for their maintenance have been reduced, laws have been promulgated to control their activities, private donors like Welthungerhilfe who are relying more and more on Govt./EU funds find it difficult to abide by their reporting demands if their program interventions focus on promoting civil society institution since the impact of these institutions is not “measurable”. Overall Governments tend to view civil society institutions suspiciously. As a paper of the World Economic Forum (The Future Roles of Civil Society) states. “Steps to suppress or curb civil society freedoms include limiting access to national and foreign funding, erecting barriers to mobile communications, and applying onerous, arbitrary or poorly administrated registration processes. Beyond steps taken by specific national governments, international civil society leaders have identified a more general decline in funding available for advocacy, rights- based activities, or causes that challenge the status quo”. This of course refers more to NGOs. As far as people’s institutions are concerned, there is hardly any mention in major documents of International Organisations. Many are uncomfortable with these CBOs because they function in the informal sector and do not abide by the standardised patterns of operations, rules and regulations of the formal sector. Those peoples institutions at the base like SAGs, have been recognised in India since the 1990s for their potential to bring the poor and marginalised into the growth stream; but after the initial thrust in the 90s and early 2000s, they have been pushed to the fringe by official financial institutions which tend to view them only as a link in the credit delivery systems. During the past 5-6 years, Banks prefer to lend in bulk to NBFC-MFIs rather than directly to SAGs as they did in the past under the SHG-Bank Linkage program. The second level peoples institutions (Federations, Cooperatives, Producers Companies) are not yet strong and are few in number. The Milk societies in India are an exception where an institutional scaffolding was constructed from the village upwards and supported by adequate finance including a large consignment of grants in the initial stages.

Funding from the private sector and Governments have increased, but driven as they are by the exclusive focus on accountability and the market, they have to put a value on all the outcomes and impacts. Building institutions cannot be translated or measured by numbers and money and moreover cannot be done within a project period. It takes time. “The civil society NGOs which knows how to build people institutions bring to the table time, experience (*including that of their well-run organisations- if the NGO is badly managed, it will never build sustainable CBOs*).....) and energy; but they do not bring funding. An ideology which sees the market and the state as the major providers cannot put a value on that which has no price. And what cannot be valued tends to be valued at nought.” Clifford Langley in the Tablet. Italics mine.

Civil society institutions have been undermined due to ideologies promulgated in the 80s-90s which several countries in the West have integrated into their policies/budgets. One of those against civil society was a certain Mrs Thatcher who once said: "There is no such thing as society. There are individual men and women and there are families". She argued that welfare, Trade Unions and other instruments of equity were instruments that supported the unproductive elements of society. On the other hand I found a surprising quote from the last Pope (Benedict )– I must admit that this is the first time I am quoting a Pope. He asked the world to "end the cult of money .... and a dictatorship of an economy which is faceless and lacking any truly human goal" . He wrote: "solidarity which is the treasure of the poor is often considered counterproductive –opposed to the logic of finance and the economy. ...economic reforms based on solidarity, which find their natural home in civil society without being restricted to it, build up society". (Caritas et Veritate- 2009). By "forms based on solidarity" he means –those organisations not driven to profiteer or maximise profit and those who are not required to be obedient to the State and which are sometimes called the third sector. Mrs Hilary Clinton had this to say: "Governments should view civil society not as a threat but as an asset. A genuine democracy is like a three legged stool, one leg is responsive, accountable government; the second leg is dynamic, job-creating private sector and the third leg is a robust and vibrant civil society."

In order not to get lost in this vast scenario, Myrada had to define its focus and limit it to civil society institutions which were owned and managed by its target clients - the poor and marginalised – and which had the potential to promote and sustain a change in their livelihood status as a basis for food/nutrition security and balanced gender relations. From experience it emerged that the civil society institutions that provided the basis for sustained food security and the potential to foster balanced gender relations was the SAGs. They emerged in Myrada when the large Cooperative Societies with which Myrada was working broke down into small groups of 15-20 which later emerged as the SAGs comprised only the poor who self-selected their members based on affinity which was based on relations of mutual trust and support . This affinity existed long before Myrada entered the scene. In fact this affinity was like a diamond in the mud which Myrada happened to kick. All that Myrada can take credit for was that it stopped, picked up this muddied diamond and polished it (through Institutional capacity Building- ICB) into an institution<sup>2</sup>. This Institutional Capacity Building (ICB) helped the SAG to taken on new and larger responsibilities related to empowerment at home and in society, to promote the families livelihood strategy which comprised several small income generating activities. The SAGs were in reality small cooperatives of economically homogeneous people linked by trust (social capital), and commitment to promote their interest which they defined as their common good. They not only articulated a mission and set objectives but also progressed at their pace and according to their priorities.

I often see statements that civil society works to promote the "common" good". A paper on the Future Role of civil Society from the World Economic Forum identifies the unique concept of civil society as "the space where we act for the common good". The problem of course is who defines "the common good". In a society riven by class and caste, the common good is identified with the vested interests of the powerful. Hence the need for the poor and marginalised to identify what to

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<sup>2</sup> The Capacity Building Modules include : 1. A Structural analysis of Society; 2. Analysis of Local Credit Sources; 3. Self-Help Affinity Group – A concept ; 4. How a meeting of the Community Based Organisation is conducted; 5.Communication; 6. Affinity; 7. Vision Building; 8. Organisational Goals; 9. Planning, Resource Mobilization Implementation, Monitoring & Evaluation (PRIME); 10. Rules and Regulations; 11. Responsibility of Group Members; 12. Bookkeeping and Auditing; 13. Leadership; 14. Conflict Resolution; 15.Collective Decision Making; 16. Common Fund Management; 17. Self-Assessment; 18. Group Graduation; 19. Linkages with other institutions; 20. Building Credit Linkages; 21. Federations; 22. Credit Plus; and 23. Analysing Gender relations in the Family and Community.

them is “the common good”. And this is best done in the socio-economic space provided by their own institutions which we call community based organisations and in our case SHGs. This is the crux of the strategy for change and sustainability.

**How have civil society institutions contributed to food security? I will restrict myself to SAGs and to their Federations which in Myrada we call Community Managed Resource (CMRCs). The best way to answer this question is to give the loan (and purpose) profiles of a few members of SAGs over a period of 10 years. These SAGs are located in three different locations which differ in soil quality, average rainfall and access to market linkages. Hence the choice of livelihood activities in which they invested their loans from the group differs considerably, but the primary objective was to achieve food security. Myrada conducted several awareness programs in each SAG related to their potential to create balanced gender relations. As a result the SAGs applied several sanctions to members who did not send their girl child to school and intervened in cases of domestic violence. No study was conducted to assess whether women has better access to foods providing nutrients that cope with malnourishment.**

**Table 1.**

<b>MYKAPS H.DK. Kote Taluk – Mysore District (West) Rainfall 850 mm and regular. Good soil.</b>						
<b>1)Kemapmma</b>			<b>2) Rathnamma</b>			
<b>Year of Borrowing</b>	<b>Amount (Rs.)</b>	<b>Purpose</b>	<b>Year of Borrowing</b>	<b>Amount (Rs.)</b>	<b>Purpose</b>	
1995	1,000	Agriculture	1996	1,000	Agriculture	
1996	1,000	Agriculture	1997	3,000	Milch Animal	
1996	1,000	Agriculture	1997	4,000	Milch Animal	
1997	2,000	Agriculture	1999	2,000	Agriculture	
1997	3,000	Agriculture	1999	6,000	Agriculture	
1998	3,500	Agriculture	2000	8,000	Agriculture	
1998	2,000	Agriculture	2000	10,000	Consumption	
1998	3,000	Agriculture	2001	10,000	Agriculture	
1998	4,000	Agriculture	2001	15,000	Agriculture	
1998	4,000	Agriculture	2002	3,000	Agriculture	
1999	2,000	Agriculture	2002	250	Tour	
2001	6,000	Agriculture	2002	18,000	Agriculture	
2001	15,000	Agriculture	2003	1,000	Agriculture	
2002	4,000	Agriculture	2003	12,000	Milch Animal	
2002	3,000	Agriculture	2003	18,000	Agriculture	
2002	250	Tour	2003	12,000	Milch Animal	
2002	25,000	Agriculture	2004	30,000	Minimal	
2003	25,000	Small Business Dev.	2005	40,000	Agriculture	
2003	25,000	Agriculture	2006	12,000	Agriculture	
2004	25,000	Agriculture	2006	50,000	Agriculture	
2005	15,000	Agriculture	2007	60,000	Agriculture	
2006	62,000	Agriculture	2008	50,000	Agriculture	
2007	60,000	Agriculture	2008	60,000	Agriculture	
2007	70,000	Agriculture	2009	20,000	Jewellery	
2008	20,000	Agriculture	2009	1,450	Tour	
2008	2,500	Agriculture	2009	65,000	Agriculture	
2009	20,000	Agriculture	2010	60,000	Agriculture	
2009	70,000	Agriculture	2010	10,000	Agriculture	
2009	20,000	Agriculture	2010	4,500	Agriculture	
2009	60,000	Agriculture				
2010	10,000	Agriculture				
2010	4,500	Agriculture				
2010	7,000	Agriculture				
	<b>5,75,750</b>			<b>4,98,700</b>		

Table- 2

Kollegal Chamarajnagar Dist. Rainfall 600mm but large gaps; above average quality of soil						
1) Rani			2) Mahadevamma			
Year of Borrowing	Amount (Rs.)	Purpose	Year of Borrowing	Amount (RS)	Purpose	
1998	500	Agriculture	1998	500	Health	
1998	46	Insurance	1998	46	Insurance	
1998	800	Agriculture	1998	3,000	House repair	
1999	1,500	Clear old loans	1999	3,000	Business – sweet & Toys	
1999	4,000	Cow Purchase	2000	600	House hold Expenses	
2000	500	House hold Expenses	2001	6,000	Business – Sweet & Toys	
2000	5,000	Agriculture	2001	12,000	House Construction	
2001	5,000	Clear old loans	2003	2,000	Health	
2002	5,000	House Contrn.	2004	6,000	Clear old loans	
2002	12,000	Clear old loans	2004	30,000	Goat Purchase	
2004	10,000	Business - Maize	2005	2,000	Goat Purchase	
2004	3,000	Toilet Constrn.	2005	2,000	LPG for home use	
2005	25,000	Business- Maize	2006	12,000	Business – Sweet & Toys	
2006	4,000	Business - Maize	2006	11,000	Business – Sweet & Toys	
2006	11,000	Business- Maize	2006	1,500	Insurance	
2006	5,000	Agriculture	2007	25,000	Land Development	
2006	27,000	Business - Maize	2007	3,000	Insurance	
2006	1,500	Insurance	2008	11,000	Business – Sweet & Toys	
2007	32,000	Business- Maize	2008	20,000	Business	
2007	6,000	Business- Maize	2008	1,00,000	Purchase of land	
2007	3,000	Insurance	2008	3,000	Insurance	
2008	20,000	Business	2009	4,000	Insurance	
2008	3,000	Insurance				
2008	30,000	Agriculture				
2008	45,000	Purchase of land				
2009	80,000	Auto purchase				
<b>Total</b>	<b>3,39,846</b>		<b>Total</b>	<b>2,57,646</b>		

Table- 3

Chikkajajur, Holalkere Taluk, Chitradurga dist. Karnataka. Rainfall 550 mm- irregular; average to poor soils						
1)Shanthamma			2)Kausar Banu			
Year of Borrowing	Amount (Rs.)	Purpose	Year of Borrowing	Amount (Rs.)	Purpose	
1996	500	House expenses	1996	1,000	Trading	
1996	1,000	Purchase of cow	1996	3,000	Trading	
1996	2,000	Education	1997	5,000	Trading	
1996	3,000	Purchase of cow	1997	500	Education	
1997	3,000	Agriculture Inputs	1997	5,000	Health	
1997	3,000	Education	1997	300	Health	
1997	4,000	Education	1998	4,000	Trading	
1998	5,000	Education	1998	5,000	Trading	
1998	6,000	Agriculture land	1998	5,000	Trading	
1999	8,000	Education	1999	5,000	Trading	

2000	11,000	Job in railways		1999	12,000	Trading
2000	15,000	Business		2000	25,000	To release house
2000	325	Purchase SAG Uniform		2000	325	Purchase uniform
2001	20,000	Public tele. booth		2001	2,000	Education
2003	8,325	Sewing machine		2003	40,000	Purchase House
2004	35,000	Education		2003	325	House expenses
2005	2,300	LPG		2003	8,325	Sewing machine
2006	1,000	Jewellery		2004	50,000	Agri. Land
2006	45,000	Agriculture land		2005	2,300	LPG
2006	2,000	Jewellery		2005	58,000	To release agri. land
2007	2,000	Gold		2005	6,000	House repair
2008	2,820	Insurance		2006	1,000	Jewellery
<b>Total</b>	<b>1,80,270</b>			2007	2,000	Jewellery
Note: Her husband was a sweeper in the railways. After he died in service, the family spent considerable money to see if one of the sons could get appointment in railways.				2008	2,000	Gold
				2009	53,820	Business/Gold
				2010	500	Gold
Note : Before SAG no land, after SAG purchased ½ acre dry land. Left SAG and moved to Davanagere to look after and live her mother.				<b>Total</b>	<b>2,97,395</b>	
			Note : Before SAG no land, after SAG 3 acres of irrigated land. Continuing in SAG.			

What emerges from these samples are the following insights:

Table -1: In an area where soils are good and rainfall adequate and regular, families with land focus on agriculture. Note that all the loans taken in HD Kote (Table-1) are for agriculture or animal husbandry

Table – 2: In this area the purposes of loans vary. Rani’s family owned dry land in an area where dryland agriculture was a high risk operation; hence the family focused on trading in maize since maize is grown extensively in the area and market linkages are well established. Mahadevamma’s family had a small plot of land, so the family went into business (sweets and toys). It is significant that in both cases, land was purchased by taking loans from the SAG but only after 10 years in both cases. The purchased land was of far better quality than what they previously owned. Ownership of land is a major security investment as well as a status symbol in rural India. Next to it comes ownership of a house ( gives status and provides credibility/security when the family approaches the Banks for loans) and then comes gold – many have purchased gold jewellery which is both an investment and a status symbol. After 10 years or so, many SAG members take loans for purchasing better land than they owned, invest in a good house and finally purchase jewellery.

Table -3 .

In this area, rainfall is very erratic and soils are poor especially on lands owner by SAG members. Hence Shantamma’s family preferred to borrow for educating their children and to get the son a job in the Railways ( a bribe was required).She also purchased a sewing machine and stitched clothes. However the family also purchased land after 10 years and then invested in gold jewellery.

In the case of Kausar Banu, the major traditional activity of the family’s livelihood strategy was trading; their land had been mortgaged before the SAG was formed for capital to do trading; later several loans were taken from the SAG for trading. As income from trading increased, the family reclaimed mortgaged land and purchased land and dug a well. Income generating activities increased to three: i) trading ii) cycle shop iii) agriculture and long term investment was made in education. Only one small loan was taken for household expenses,. Finally, loans were taken for gold and jewellery – a sign that they are now confident. .

Over-all, it emerges that each family has a livelihood strategy which comprises several activities. Food security is not necessarily based on income from agriculture. It depends on whether the family has land, the quality of the land, the ability of family members to work on land, the willingness of family members to work in agriculture.

The basis of food security is a family livelihood strategy which comprises several activities for which the family requires credit. Some tend to get larger in scale, others are dropped; some new ones are undertaken. The assumption in official programs that the family should be provided with one large viable activity is not what emerges in the family portfolio. One large viable activity is often not manageable by the family in the initial stages of its growth; it prefers to invest in several small ones.

The pace of growth in livelihood activities and the order in which they are taken up cannot be standardised. It depends on the family's resources and other obligations.

The purposes, sizes etc., of loans are diverse. These decisions can only be taken by a group of members based in the village who know the ground situation. Standardised loans sizes, and repayment schedules will not work in a sector where income is lumpy and uncertain and quality of soils vary even within one village

**Community Managed Resource Centres (CMRCs):** These emerged in Myrada's programs about 8 years ago. They are federations of 100-120 SAGs. This was a period when Myrada had decided to withdraw from major projects. It had communicated to the people that it would withdraw and that they would have to lead the way. But they were also assured them that Myrada would remain in the area and could be approached if required. Myrada worked with each CMRC to plan a strategy which would enable each CMRC to be financially independent within 3-4 years. This has been achieved.

The CMRCs role in supporting food/nutrition security is more in terms of lobbying with the Panchayat and Government Depts. to ensure that the fair price shops function and are adequately stocked, that traders do not manipulate prices. They also manage several nutrition centres for pregnant mothers and children. Apart from this they promote and monitor several programs in the local area related to health and public sanitation and have a major influence on the functioning of the Gram Panchayat. However, for want of space, we refer you to the RMS Papers on Myrada website related to the CMRCs ([www.myrada.org](http://www.myrada.org)).

One problem commonly faced by development promoters is that there are not many experienced NGOs who can build these SAGs/CMRCs into institutions. Besides, donor support for this initiative is diminishing. Further, we need NGOs who do not want to possess the CBOs as their personal property but give them space to develop their own strategies including interventions to change unjust relations. These SAGs at the base and their Associations are appropriate institutions to initiate change. Donors may find it difficult to get directly get involved with change. But it is necessary to realise that there is another three legged stool: The donor, the NGO and the CBOs. The objective of the Donor and NGO should be to build strong CBOs and let them go. They can fall back on the NGOs as a last resort if required. This is what the Institutionalist category of NGOs try to do.

**3. Sustainability : The third key word.** This objective of sustainability is achieved when peoples institutions are strong organisationally and financially, capable of meeting their needs, of managing their affairs and maintaining good linkages with service and credit providers, able to lobby for their interests and to access appropriate technology inputs and markets. The structure and functioning of these institutions is based on the objective to be achieved and the resource to be managed. A SAG for example is appropriate to empower the poor and to support them to build a livelihood strategy. But to market small surpluses requires a different types of institution to aggregate and add value like Producer collectives/companies. .

Over 25 years, Myrada placed strong emphasis on building peoples institutions as a basis for sustainability of impact –including food/nutrition security. As a result, Myrada is now a group of autonomous societies, companies and informal institutions sharing a common vision to promote

livelihood strategies, local governance, environment and natural resource management, health and education systems; these institutions are designed and managed by the rural poor in an equitable and sustainable manner.

**The following is a brief over-view of Myrada Promoted Institutions (MPIs) and the role that Myrada presently plays in each category of institutions.**

These MPIs can be grouped into three categories. (Data as on March 2009 published in the Agency Profile available on [www.myrada.org](http://www.myrada.org)). There have been several changes in the numbers of institutions since Myrada hived off large projects in 2010 which became separate and independent Societies.

- **Category 1: Participative Institutions of the poor at the base :**

All these institutions promote livelihood strategies and activities as well as generate empowerment, which Myrada defines as “confidence to speak, take decisions, take risks and to lobby for change and against any form of oppression; empowerment also includes discipline to attend meetings and to abide by the rules set by the group including sanctions for dysfunctional behavior”. Some of them which are large like MASS (composed of 4000 Devadasis) lobby for their rights and entitlements from Government and for acceptance in society. Others (like the Rosemary Farmers Association) are formal producer and marketing groups. The Soukhya groups composed of sex workers fight for freedom to practice safe sex, for freedom from oppression by pimps and from harassment from officials. The binding factor in each group is largely affinity (relations of mutual trust and support) which is a dominant factor in the smaller groups like SHGs and Soukhya groups . In the larger groups like the Organic farmers and Rosemary Oil farmers Associations, affinity may not be as strong, but common interest of all members binds them together.

### **Institutions in Category 1**

Self Help Affinity groups (men and women, but majority are women)	12,050
Soukhya Groups (Sex workers) ( 10-15 members per group)	512
Watershed Area groups (men and women, but majority are men;20-50 per group)	538
Organic Farmers Association (Regd – men and women- over 500 members)	2
Rosemary Oil Farmers Assoc. (Regd – men and women –over 300 members)	1
MASS (Assoc of Devadasis) (Regd – women only- over 4000 members)	1
MEADOW (A company engaged in contract work with Titan- over 350 members)	1
Kabini Organic Producers Co.,Ltd (MYKAPS)- 1800 members	1

**Organisational links of Category 1 institutions with Myrada :** Myrada Staff are not members of the Governing Boards and do not have any position in these groups except in MASS, in response to a request from the members.

- **Category 2. Representative Peoples Institutions**

<b>Community Managed Resource Centres</b> :These are registered societies; each comprises 100-120 SAGs of Men and women, but majority are women; they have an office and staff	103
<b>Federation of SAGs (cover 10-20 SAGs):</b> these are not registered, they have no office or full time staff, they meet monthly to help the SAGs to sort out any problems and / or to collect data related to loans, repayments, etc.	108

Soukhya <b>Ookutas</b> : Federations of Soukhya sex workers groups at town/ taluk level; they are not registered, they do not have an office or staff.	44
<b>Soukhya Samudhaya Samasthe</b> : These are Registered societies at District level of sex workers in Soukhya groups; they have an office and staff.	5

**Organisational links of Category 2 Institutions with Myrada**: Myrada project staff hold two positions (out of 11) on the Board of Management of each CMRC and one (out of 21) in each Ookuta. The others are elected from the SAGs and Soukhya groups respectively.

- **Category 3** : Institutions managed by people who are not the poor but which are totally dedicated to support the poor by providing financial services, training in institutional building and livelihood skills and in providing technical support.

### **Institutions in Category 3**

Sanghamithra ( Micro Finance Section 25 Company) lends only to SAGs; reg 1996	1
Training Centres (CIDORs) (trains men and women)	9
Non Formal Technical Training Centres (Trains boys and girls)	2
Myrada Krishi Vigyan Kendra (trains men and women)	1
MYKAPs (covers Mysore District; hived off from Myrada in 2007)	1

**Organisational Links of Category 3 institutions with Myrada** : All the above institutions have a senior member of Myrada's management based at Head Office as a Board member . The Directors of all these institutions (except Sanghamithra) were staff of Myrada who are deputed or who have resigned after working with Myrada for over 15 years and been appointed on a new contract.

**Inter Organisational Links**: While the organisational links with Myrada have been mentioned above, these institutions also support one another, both organisationally and financially.

**Financial sustainability** of all the institutions in the Group has been the objective of Myrada from the beginning and this objective has been achieved.

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