CHAPTER VI

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Large-sized Adivasi Multi-purpose Co-operative Societies have been organised in India with the objective of bringing about transformation in the tribal economy. Many programmes and policies have been implemented for tribal welfare during different plans in India and establishment of LAMPS is an important step in the measures for tribal development. These societies were thought of to be organised according to the recommendations of the study team headed by K.S. Bawa, Joint Secretary in the Ministry of Co-operation, Government of India, since 1974. Institutions which were existing then in the name of Forest Labour Societies were renamed as and a large number of societies were formed afresh nomenclatured as LAMPS.

On the basis of the general view and the stark reality that tribal people are backward and also have been neglected economically, socially and culturally, tribal sub-plan was introduced in the country since 1974-75 to accord the most preferential treatment to that community.

LAMPS have been organised altogether in fourteen states and two union territories of the country. They were organised with the main objective of providing marketing opportunities for forest based and surplus agricultural
produce of the tribals. LAMPS were expected to be harbingers of change in the tribal system. Over a quarter century of their existence, LAMPS have gone a long way in moulding the tribal economy. But the performance of majority of LAMPS is still not upto the desired level.

The researcher had formulated six hypotheses to test their validity. Relevant information and data were collected to test these hypotheses. Testing these hypotheses have enabled us to have a clear view of the strengths and weaknesses of the LAMPS in the country in general and in Karnataka in particular. Appropriate tables and a few quantitative techniques are used to arrive at conclusions.

MAJOR FINDINGS

1. Even though LAMPS were organised with the aim of bringing about a thorough transformation in the tribal economy their performance, by and large, is not to the desired extent. These institutions have found their existence in fourteen states and two union territories of India. But their performance is just satisfactory only in some pockets of Madhya Pradesh, Karnataka, Tamil Nadu, Maharashtra and north-eastern states. Needless to say, LAMPS have not been harbingers of change as expected when they were established as per Bawa Committee recommendation and as part of the tribal sub-plan strategy.
2. Uniformity in the organisational structure of LAMPS is lacking. As per the suggestions of the study team headed by K.S. Bawa it was visualised to organise one LAMPS for each block or tehsil. But in practice it has not remained so. For example, in Maharashtra, three or four LAMPS are organised in each tehsil. In Orissa, 46 LAMPS exist with an area of operation of one block or tehsil each and the remaining societies are organised at the rate of 2 or 3 per block. In Karnataka, two LAMPS each have three talukas and one LAMPS has two talukas in their area of operation, and the remaining LAMPS are organised at the rate of one per tehsil. Hence, LAMPS have been organised or restructured to suit the local conditions and needs.

3. Structure of management in LAMPS is not uniform among different states and even among different districts in some states. For example, in Orissa state, each LAMPS has in its board 18 directors of whom 15 are elected and the remaining are nominees of the government. In Karnataka, though each LAMPS consists of eleven directors, constitution of the board with elected directors and ex-officio directors is not uniform between one district and the other. Number of elected directors vary from six to nine and ex-officio directors from two to five in different districts. Even though LAMPS were organised with a clear agenda and were visualised with a national perspective to cater to the needs of a certain section of population which is scattered in
different parts across the country, uniformity in the structure of management of these institutions is evidently absent.

4. LAMPS are by name and in deed, co-operative institutions for tribal people. In the recommendations of the Bawa Committee and strategy of the tribal sub-plan, they are visualised as institutions to cater to the needs of only tribal community. But in some states and in one union territory even persons belonging to scheduled castes have been enrolled as members of these societies. The view, perhaps may be that, scheduled caste people are also a neglected lot and are backward socially, economically and culturally, it would not be inappropriate to enroll them as members along with scheduled tribes people. But it is to be noted that if scheduled castes persons also find a place as members, the true nature and the spirit of LAMPS as adivasi society will take a back seat.

5. With regard to another important managerial aspect i.e., recruitment of the chief executive, there is no similarity in LAMPS. For example, in Maharashtra, Secretary of LAMPS is an employee of the State Tribal Development Corporation, in North-Eastern states he is recruited by the society itself, in Orissa he is an officer of the government usually a Senior Inspector of Co-operative Societies, and in Tamil Nadu, he is a paid Secretary recruited by the society
itself. Karnataka State presents a different picture with three types of Chief Executives existing in its 20 LAMPS. That is, Chief Executives are recruited by the committee of management itself in the case of some LAMPS, they are deputed by the government to work in these institutions for a certain term in the case of a few LAMPS and in a few other LAMPS Chief Executive is just in the in-charge position, and drawing salary and emoluments from the government.

The name of the designation of Chief Executive is also different in different states and also within the state. For example, the name of the designation is 'Managing Director' in Orissa, 'Secretary' in Maharashtra, Tamil Nadu and North-Eastern states. In Karnataka, the name of the designation is 'Secretary' in 17 LAMPS, 'Manager' in one LAMPS and 'Managing Director' in two LAMPS.

6. By and Large, LAMPS have failed to make a dent in tribal life. Even after half a century of their existence, in many parts of the country LAMPS are groping in the dark as to what activities they have to undertake and in what way to run the enterprise. In Orissa, LAMPS have virtually gone into red. Many of the societies there are on the verge of liquidation. In Tamil Nadu, participation of LAMPS in MFP activity in minuscule. Only a few out 18 LAMPS are engaged in collection and sale of MFP. Majority of the LAMPS there have not dared to take up this activity owing to paucity of
funds. Instead, they have taken up the activities of lending term loans and jewel loans. In Bihar, the tale of LAMPS is almost the same as that in Orissa. In Maharashtra, only because LAMPS are restructured by narrowing down their area of operation and linking them directly with the state tribal development corporation, they have been able to do their worth. LAMPS have stood their ground and have been doing a humble and praiseworthy service in some parts of Madhya Pradesh, i.e., in Bastar and Jagdalpur areas. Performance of these institutions in Karnataka state is mixed. Only about half of the total societies have been able to diversity their activities and to earn accumulated profits. Almost the same is the story in north-eastern states where LAMPS have undertaken a number of activities and a large number of LAMPS have been functioning on an operative profit.

This factor helps us to test our first hypothesis. It can be said that the hypothesis is proved and the organisation of LAMPS in many states of India has not gone a long way in bringing about a social and economic transformation of the tribal system.

7. It has been found in some parts of the country that tribal members do not sell MFP and surplus agricultural produce to the LAMPS. Instead, they sell them to private traders. This is owing to the facts that LAMPS are not easily accessible to members as well as existence of a sort
of communication gap between the society and the members about collection, sale and price of the produce. Tribals may find it easy to sell away the produce to private traders who come and collect it on down payment. Orissa’s example may serve to explain the situation. In that state LAMPS are supposed to sell their produce to the state tribal development corporation on getting advance payment. But of late TDC is not coming forward to make advance payments to LAMPS since many of these societies are unviable. Thus LAMPS are left with no funds to make payment for the produce which the tribal sells. Hence, the functioning of LAMPS in many pockets of the country has not made the things any better. This again proves the first hypothesis and also the second hypothesis that is, the tribal people have not been able to reap the benefits that the LAMPS are expected to provide.

8. Actual membership in the LAMPS is not to the desired extent. In Karnataka, the actual membership in most of these societies is less than 50 percent of the potential members. As has been observed by this researcher, the same is the case in Orissa, Tamil Nadu, Maharashtra and Bihar. Thus, LAMPS have failed to build up a sound organisational structure and to develop working capital base by attracting shareholders. A large section of the eligible tribals have been left out of the membership of LAMPS. By selling their produce to the private traders, tribals are deprived of the
benefit of a better and fair price which they could have got if they had sold it to LAMPS. It was found in many parts the price that tribals get for the produce from traders in just about 40 percent of what they could have obtained at LAMPS. This again proves the second hypothesis.

9. Even though LAMPS are well entrenched in tribal life in many pockets of many states, they have not been able to make the best of their efforts. LAMPS normally make some advance payment to tribal collectors which will be deducted and the remaining amount paid when the produce is delivered. Only some LAMPS in the country advance term loans and in Maharashtra Consumption finance is advanced as a scheme of the state tribal development corporation. Thus a system of loaning, repayment, savings etc., is not developed in the tribal system and tribal economy is still largely a non-monetised one.

10. In order to have an effective system of working of LAMPS, particularly in the activity of collection and sale of minor forest produces, proper organisational link is of utmost importance. But it was found that in majority of states this link was either lacking or totally absent.

An effective organisational link among different tiers in the system is essential. LAMPS at the primary level are engaged in collection of MFP from the tribals. They in turn have to sell the produce to state level organisations such as
tribal development corporations, LAMPS federations or state forest develop corporations. The produce is to be marketed at the national level at TRIFED or other agencies. But in actual practice this supposed system is not properly working. For example, in Orissa the State Tribal Development Corporation has miserably failed to leave an imprint on tribal activities. A large section of people who really are unaware of the functioning and business handled by T.D.C. Since majority of the LAMPS are unviable and have lost financial credibility TDC has developed cold feet to make advance payments to LAMPS. As a result, a large quantity of MFP is sold by tribals to private traders and TDC also is purchasing from these traders. TDC in Bihar is virtually defunct. Hence, it has failed to coordinate the activities of LAMPS. In Maharashtra, the State Tribal Development Corporation is no doubt doing a very good job. But even here, some of the produce is sold by tribals to private traders, and TDC has not developed cordial trade relations with TRIFED. In Karnataka, LAMPS federation is in infant stage, and the business of procuring MFP from LAMPS and marketing it at TRIFED has just started. Hence, its working and the results are yet to be seen. The situation in Madhya Pradesh is not different from what exists in Orissa and Bihar. But only in the last year there has been a change in Bastar and Jagdalpur parts of the state when TRIFED itself volunteered to purchase from the LAMPS and to ensure a fair
price for the produce. A different picture emerges in Tamil Nadu where state level federation does not exist and the LAMPS, whichever are engaged in collection of MFP, are directly linked with the TRIFED.

11. One of the important objectives with which the LAMPS were organised was to provide employment opportunities to tribals and to enhance their income-earning capacity. LAMPS might have succeeded in fulfilling this purpose to a small extent. But by and large their failure is evident. In a large number of LAMPS contact between the society and the member virtually does not exist. LAMPS, instead of purchasing the produce directly from the members, purchase through middlemen or agents. This negates co-operative character of the LAMPS. This has two important and far-reaching connotations. First, it leaves the tribal with the belief that he sells the produce to a trader or a private person and that he has nothing to do with the LAMPS. Second, the tribal collector is deprived of the full price or the fair price for the produce, since some amount of money in the form of commission is pocketed by the middlemen. This helps to prove our second hypothesis.

12. LAMPS in India are established and developed largely with the financial assistance of the government. This assistance is being routed to the LAMPS in several forms such
as share capital, subsidy, loan, margin money, etc. The present study reveals that each LAMPS in the country has been able to obtain several lakhs of Rupees of assistance in these forms. Financial assistance to these institutions is not restricted to any single year. In fact it is given in a number of years. Thus government itself has the status of a share holder in LAMPS. LAMPS cannot think of their existence in the absence of this largesse doled out by the government. The scheme of providing share capital assistance to LAMPS in order to admit members is in vogue in many states. This scheme was in operation in Karnataka only till 1996. According to this scheme, the amount of share capital to be subscribed by the member, share fee and admission fee is given by the government. Thus, becoming a share holder does not impose any financial burden! These factors show that the real spirit of co-operation is not enshrined in the functioning of LAMPS as they are largely organised with governmental assistance and patronage. Hence our third hypothesis is proved.

13. Everything for the LAMPS in their business is not easy. The problems they face can very well be seen in their MFP activity. LAMPS have to face many hurdles while obtaining lease from the forest department. Undue delay in granting lease causes heavy loss of revenue to the LAMPS. Even after the lease is granted, LAMPS come across many
restrictions to collect MFP. Many a time, morale of LAMPS is badly affected.

14. Some minor forest produces are not fully harvested. Tree mass provides the best example for this which is harvested only to the extent of 10 per cent of the availability. Tribals show inclination to collect those produces the harvesting of which is easy.

15. LAMPS across the country have not given importance to sustainable harvesting and optimum level of harvesting. Some of the produces like Amla require about 15 to 20 per cent to be left in the plant so that it helps regeneration. But tribals are easily given to the temptation to harvest the whole crop with commercial motive. Honey is extracted cutting the whole beehive and also affecting bees and larvae. With the dwindling forest cover and depleting quantum of produces on the one hand, and increasing tribal population on the other, it may be difficult in the future to avail the same level and quantum of produces. Unless LAMPS attach due importance to train and educate their members about sustainable and optimum level of harvesting, their motive of increasing employment opportunities and income generation among tribals will prove to be self-defeating. In the absence of sustainable harvesting, eco system and ecological balance will be in danger which badly affects tribal living.
16. Social performance of the LAMPS is poor indeed. As said earlier, actual membership in majority of these societies is far less than the potential members. Participation of members in general body meetings and also in activities of LAMPS is very less.

17. Agricultural labourers and marginal farmer predominate among the members of LAMPS. This leads us to the conclusion that tribals by and large are very poor and economically backward.

18. Activities of a very large number of LAMPS are in consonance with the recommendations of the study team headed by K.S. Bawa. That is, they have been undertaking various activities such as, marketing of minor forest and agricultural produce, distribution of inputs and consumer goods and provision of credit.

19. In Karnataka as well as in other states processing activity is not developed on a large scale. This activity is almost a neglected one. If the processing activity is given due importance, LAMPS will be able to make value addition to the commodity and sell at a higher price. This will enhance the capacity of the society to earn more profits and to serve the members in an effective way. In Karnataka only three LAMPS have got processing units which are functioning. One LAMPS has set up a unit very recently. Processing units of two LAMPS have virtually stopped functioning long ago. In
other states also only a handful of LAMPS have processing units of their own. This situation has made the LAMPS sell the raw produce at a very low price and forego the profit margin which they could have earned, if they had the facility to process and market the commodity. Hence our fourth hypothesis that in Karnataka processing activity is not developed on a large scale is proved.

20. In many cases LAMPS have been working as governmental agencies. A huge amount of funds to these societies in the form of share capital, margin money, subsidy, loan etc., is being given under various schemes by the government. Apart from this, government has been gracious enough to allocate many functions to LAMPS such as distribution of rationed goods and supply of consumer articles and food grains to designated institutions. These have become main activities of many LAMPS. Thus these societies are at the mercy of the government and are not in a position to think of their existence if these allocative functions are withdrawn. Again, as in other fields of cooperation, in this field of tribal co-operation also, members' awareness about the role of the society and its function is at the lowest. A large number of members are under the impression that LAMPS is just an institution of the government. This has proved our fifth hypothesis.
21. LAMPS have a weak financial structure. Much of their funds is provided by the government in the form of share capital, loans and subsidy. Amount of Government's share predominates and in the case of many LAMPS it is to the extent of more than 90 per cent out of the total share capital of the society. LAMPS are running their show out of the funds given by the government.

Organisational base of the LAMPS also is weak. Majority of the directors of the board are incapable of taking decisions and understanding the issues at large. The most horrible and an unimaginable factor is that majority of the ex-officio directors do not attend board meetings. It is a pity that persons who have been directors by virtue of their office and who are carefully chosen to represent the government on the board have taken the things for granted and have shown utter contempt about the activities and administration of tribal societies.

Thus all the six hypotheses proposed in our study are established.

RECOMMENDATIONS

In the light of our present study, it is deemed fit to make the following recommendations, in order to make the LAMPS robust.
of the produce and an average of previous five year's lease amount. This may prove to be most scientific method in fixing royalty.

At present, the lease period is for two years, after the expiry of which the society has to obtain fresh lease. This has proved to be inconvenient for the society. The society is expected to apply for fresh lease much in advance and necessary resolution has to be passed by the committee of management to this effect. Two year period is very less and in majority of cases LAMPS fail to apply for lease well in advance and there is inordinate delay in granting lease by the forest department. Hence, what is strongly recommended is a five year lease period.

12. Even though there are more than 30 important items of MFP only a handful of them, that is about 12 to 15 produces have received much attention in extraction and sale. It is a general view that there may be many more minor forest produces in existence. Hence a thorough research to find out the availability of MFP which might have still remained unknown is suggested.

13. Training of members of LAMPS must be given much importance. It is true that LAMPS have been imparting training to their members at present. But the way in which it is given now is of little use. Duties and responsibilities of members are taught in the training classes and members
attend half heartedly or only for the purpose of getting stipend. It is essential to impart vocational training which can help members to engage in productive activities. A large amount of expenditure of LAMPS should be on training programme and government's assistance and schemes have to be fully utilised in this regard. Efforts should be devoted to educate the members about their responsibilities and importance of their participation in the activities of the society as also to properly train them to take up productive activities utilising local resources. Emphasis should be laid also on the methods of sustainable harvesting of the produce.

14. One of the important aims of LAMPS is to create and increase employment opportunities for tribal people. It is not out of context to say that LAMPS should foster cottage industries and develop small scale village industries with the aim of utilising forest based resources to bring about an increase in production, income and employment. National commission on Agriculture had held the view that "forest based industries will have to be located in tribal areas for diversification of employment opportunities...". LAMPS are the best agencies to take up this venture.

15. Many a tribal member will be in dire need of money and he has no institution to fall back upon except the LAMPS. It is necessary that LAMPS should take up the activity of
advancing consumption loans and recover it in instalments either in cash or at source when the produce is sold to it. This activity in all the LAMPS can be developed on the model that exists in Maharashtra state where adivasi societies act as agents of TDC in distribution of consumption finance; or alternatively LAMPS can directly advance these loans out of their funds.

16. LAMPS like any other co-operative institution will function effectively only with proper participation of its members. These institutions are required to run on co-operative basis. The minimum they are expected to do is to pay dividend on the shares of members. It was found that majority of LAMPS have not bothered to declare and pay dividend on the shares held by members and government. Non-payment of dividend amounts to violation of the principle of co-operative business and also of the existing rules. Again, through payment of dividend, LAMPS can ensure better participation of members and can instill a feeling among members that they are also stake holders.

17. As we have seen in the study, attendance of official directors in the board meetings is negligible. Unless these directors actively participate in the activities of LAMPS and attend board meetings regularly, functioning and performance of LAMPS will not be to the expected level. Only the offices of departments which are closely connected with
the activities of LAMPS should be appointed as ex-officio directors on the committee of management of LAMPS and it is necessary on the part of the government to take such steps as to make these officers attend the meetings regularly.

18. It is true that attendance of elected directors in the board meetings is satisfactory. But to further improve their attendance and in order to make them actively participate in the activities of LAMPS and in decision making process, LAMPS can think of holding out some incentives to elected directors. Three aspects can be considered in this direction. They are (i) director's attendance in the board meetings and sub-committee meetings, (ii) their role in enrolment of new members and (iii) their participation in increasing the volume of business. These factors should be taken into account to give incentives on an annual basis.

19. At present, LAMPS exist only in fourteen states and two union territories. But there are many other states and union territories in India which impocket a large section of tribal population. As has been found in the 1991 census, except for the states of Delhi, Haryana and Punjab and the union territories of Chandigarh and Pondicherry, all other states and Union Territories have tribal population in them. But tribal population in the two states of Goa and Uttar Pradesh is minuscule, being only 0.03 per cent of its total population in the former and just 0.21 per cent of its total
population in the latter. There is scope for organising LAMPS in other states having tribal population barring two states. Hence, the Government should come forward with a policy to organise and develop LAMPS in the states of Himachal Pradesh, Kerala, Megalaya, Sikkim, and West Bengal and in the Union Territories of Andaman and Nicobar Islands and Lakshadweep.

But we are not advocating organisation of LAMPS in Andhra Pradesh though the state has a large chunk of tribal population which is 6.31 percent of its total population as per the census of 1991. This is because Girijan Co-operative Corporation, Andhra Pradesh has been doing an excellent job in the fields of collection and marketing of minor forest produces, supply of daily requirements to tribals and advancing of term loans. With a net work of 45 Girijan Primary Co-operative Marketing Societies which are working in the same way as LAMPS and 817 daily requirement depots, the GCC is performing an unenviable task. Its role and model are fit to be emulated.

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REFERENCES


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