Chapter 7
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Findings and conclusions

From the foregoing analyses and discussions of the quantitative performance of Cooperatives in the district (Chapter 3), socio-economic characteristics as well as distinguishing features of Cooperative membership (Chapter 4), provision of social, democratic and empowerment benefits of Cooperatives and the impact among the people in general and members in particular (Chapter 5) and the problems impinging maximization of social impact of Cooperatives as perceived by member respondents (Chapter 6), a summary of important findings / inferences and conclusions to the study are presented in this chapter.

A summary of Findings
Quantitative performance of Cooperatives in the District

The Cooperatives in Dindigul district after being bifurcated from the then Madurai district in the year 1985, have a good track record of performance. At present, there are 197 Primary Agricultural Cooperative Banks, one District Central Cooperative Bank with 17 branches, 6 Primary Agricultural and Rural Development Banks, 4 Urban Cooperative Banks, 52 Employees Thrift and Credit Cooperative Societies, 21 Housing Cooperative Societies, 32 Primary Handloom Weavers' Cooperative Societies, 7 Industrial Cooperative Societies, 13 Primary Consumer Cooperative Stores and 45 Students' Cooperative Stores and a District Consumer Cooperative Wholesale Store. Moreover, there are three Agricultural Producers' Cooperative Marketing Societies and 223 Primary Milk Producers' Cooperative Societies affiliated to the District Milk Producers' Cooperative Union. Out of 17.60 lakh total population 92 percentage of eligible population, and cent percent of villages in the District are covered by Cooperatives. On an average agricultural credit Cooperatives have disbursed Rs.26,663.50 lakh and they have met 49.5 percentage of the demand for agricultural credit in the district. 98.76 percentage of farming community have availed credit facilities from Cooperatives. In the field of non
agricultural credit, the Cooperatives in the district have been playing an important role. On an average they have disbursed loans of Rs.4606.29 lakh and met 26 percentage of demand for non agricultural credit in the district. In the field of agricultural non credit on an average the Cooperatives have executed sales to the tune of Rs.2147.01 lakh in the district. Similarly in the field of non agricultural non credit, on an average the Cooperatives have executed sales to the tune of Rs.3995.76 lakh. Cent percentage of weaker sections have availed credit facilities from Cooperatives. Essential commodities are distributed to Rs.4.43 lakh cardholders under public distribution system through Cooperatives. Women Self-Help Groups numbering 451 have availed credit facilities to the tune of Rs.154.38 lakh through primary agricultural cooperative banks under micro credit schemes. Cooperatives have been rendering services at an annual growth rate of 5.8 percent in the district. Their role in promoting the economic life of people in general and weaker sections in particular is very significant.

Socio - Economic characteristics of the respondents

An analysis made on the demographic indicators (age and gender), social (education, community, family size, neighborliness, social participation, exposure to mass media and contact with change agents) and economic indicators (occupation, family, annual income, assets, size of land holdings and debts) influencing individuals, besides, the Cooperation indicators which are required traits of cooperative membership such as duration of membership, services availed from Cooperatives and knowledge about cooperative management of member respondents reveals the following inferences. They all reveal that there are differences in the socio-economic conditions between member and non-member respondents.

Demographic indicators

Age and Gender: There is no significant difference in the age level between member and non-member respondents. Women under young age and middle age categories are more among member respondents than among
non-member respondents due to promotion of women empowerment by the government through Cooperatives.

Social indicators

Level of education: Nearly one fifth of the respondents do not have formal school education. Yet literate and persons with higher level of education are more among member respondents as compared to that of non-member respondents. This shows that literates and persons with some level of education are more likely to be members of Cooperatives than illiterates or less educated persons.

Community: Majority (81.7%) of member and non-member respondents belong to BC/MBC/DNC communities followed by SC/ST (17.8%) and the OC community (0.5%). However, the percentage of SC/ST respondents is higher among member respondents than non-member respondents due to implementation of poverty alleviation programmes and special programmes for the benefit of SC/ST people and other weaker section by the State as well as Central Government through the Cooperatives.

Type and Size of family: Members of Cooperatives are more likely to adopt small family norm than non-member respondents.

Social Participation: Although there is no association between membership in Cooperatives and level of social participation, there is significant difference among members and non-members in their level of social participation. Members of Cooperatives have higher level of social participation than non-members.

Exposure to mass media: Members of Cooperatives have significantly higher level of exposure to mass media than non-members due to increased use of mass media by Cooperatives.
Contact with Change agents: There is no significant difference between members and non-members on their level of contact with change agents. Moreover, there is no association between membership in Cooperatives and level of contact with change agents. Multi-agency approach in delivering needy services to people is one of the reasons for high level of contact with change agents among respondents.

Neighborliness: There is association between neighborliness and membership in Cooperatives. Members of Cooperatives uphold higher values of neighborliness and maintain better neighborliness with their fellow members than non-members.

Economic indicators

Occupation: Agriculture including allied agricultural activities followed by self-employment is the prominent occupation among respondents as a whole. However, there are significant differences in the occupation between members of Cooperatives and non-member respondents. Moreover, the percentage of respondents under the unemployed is high among non-members than among members.

Family Annual Income: The family annual mean income of members is Rs.70,315, while it is Rs.40,161 for non-members. The family annual income of members of Cooperatives is significantly higher than that of non-member respondents.

Total assets: The assets mean value for members is Rs.5,44,088 whereas it is only Rs.2,69,285 for non-members. Members of Cooperatives possess more assets than non-member respondents.

Size of land holdings: Although the percentage of landless is high both among members and non-member respondents, it is lesser among member respondents as compared to non-member respondents. There is a
marked difference in the size of landholdings between member and non-member respondents. The mean landholdings of members are 4.64 acres while it is 5.40 acres for non-members. Thus, it may be stated that small and medium farmers are likely to be members of Cooperatives.

Borrowings: Cooperatives followed by commercial banks are the major sources of borrowings of member respondents whereas it is commercial banks and non-institutional sources for non-members. The mean borrowings of members is Rs.51,324, while it is Rs.23,969 for non-members. There is no significant difference between members and non-member respondents in their borrowings from commercial banks.

Cooperation indicators

Membership with Cooperatives: Out of 720 respondents, only 62 (8.6%) are unaware about Cooperatives. Out of 658 respondents, only 540 (82.1 %) are users of Cooperatives and the remaining 118 (17.9 %) only are non-users. Only 401 (74.3 %) are primary member users, 68 (12.6%) are associate member users, and 71 (13.1 %) are non-member users.

Among non-users 41 (34.7 %) are primary member non users, 30 (25.4%) are associate member non-users and the remaining 47 (39.8 %) are non-member non-users. Further, respondents who are unaware about Cooperatives are found high among landless members while on the basis of place of domicile, respondents who are unaware about Cooperatives are found high in rural areas. So far as users of Cooperatives are concerned, they are found high in western ghat region and in rural area. However, majority of both land owned and landless members are users of the services of Cooperatives.

Duration of membership: Members who joined with the Cooperatives long before are high in agricultural credit and non credit cooperative societies such as marketing, dairying and other production / processing Cooperatives.
However, there are significant differences in the duration of membership between land owning and land less members.

Place of domicile wise analysis reveals that senior members are more in both agricultural credit Cooperatives and agricultural non credit Cooperatives located in rural area than urban area. However, there is no significant difference in the duration of membership among members of non agricultural credit Cooperatives located in rural as well as urban area.

On the other hand the region wise analysis reveals that there is significant difference in the duration of membership among members of agricultural credit Cooperatives and non agricultural credit Cooperatives between western ghat region and plain upland region. Thus, duration of membership varies among members of different types of Cooperatives. It also varies due to place of domicile, landownership and geographical location of Cooperatives.

Services Availed: Majority (68.3 per cent) of the members have availed more than one services of Cooperatives and the percentage of members who availed more than one service of Cooperatives is higher among landless than landowning members. Region wise analysis shows that the percentage of respondents who availed more than one services of Cooperatives is higher among members in western ghat region than plain upland region and the mean difference between members of western ghat region and plain up land region is very significant. Analysis of utilization of services of Cooperatives by members according to their place of domicile shows that the percentage of members who availed more than one service is higher among members in rural area than in urban area. Thus, there are differences among members in availing the services of Cooperatives due to geo, socio and economic factors.

Knowledge about cooperative management: Majority (69.2 per cent) of the member respondents possess high level knowledge on cooperative management and the landless members have higher level of knowledge than land owned members. There is significant mean difference in the knowledge level between landless members and land owned members. Members in plain
up land region where agriculture is not the major occupation have higher level of knowledge on cooperative management than members of western ghat region. However, members in rural areas have higher level of knowledge on cooperative management than others. This finding confirms that landless members in rural areas acquired more knowledge benefits from their Cooperatives than others.

Factors discriminating a member of a cooperative from a non-member: Though there are several socio-economic variables discriminating members from non-members, the percentage of institutional borrowings to total borrowings from Cooperatives forms a major discriminating factor than any other variables.

Social impact of Cooperatives

Social impact of Cooperatives has been analysed under three broader aspects viz., social benefits impact, democratic benefits impact and empowerment benefits impact of Cooperatives. Below given are the summary of findings dovetailing to social impact of Cooperatives among members, non-members and the community at a large.

Social Benefits of Cooperation

The social benefits impact of Cooperation are analysed under three broader aspects such as (i) problem solving features of Cooperation, (ii) identity benefits of Cooperation, and (iii) confidence building features of Cooperation. Nearly forty seven percent of the respondents have high perception on the social benefits of Cooperation. However, members of Cooperatives have higher perception on social benefits of Cooperation than non-member respondents and there is positive association between perception on the social benefits of Cooperation and membership in Cooperatives. The opportunity to or the actual participation in the management of Cooperatives by members is regarded as the reason for greater realization of social benefits of Cooperation by members than non-members. Although there is no association between perception and land ownership among members, there is positive
significant association between place of domicile of members and the perception on the social benefits of Cooperation. Members in rural area derive social benefits of Cooperation greatly. Long years of existence as well as rendering rural oriented services by Cooperatives as a single agency in rural area seem to enable members in rural area to realize social benefits of Cooperation greatly. Whereas existence of multi agencies to provide needy economic services to people in urban area have rendered the urban people to realize social benefits of Cooperation which are not availed with other agencies.

Analysis of LMR model reveals that the demographic indicator namely age, has positive significant effect to have greater realization of the social benefits of Cooperation among all categories of members. Supersession of the board of management of Cooperatives and non-conduct of elections to Cooperatives for more than two decades in Tamilnadu have denied the opportunity to realize the social benefits of Cooperation by youngsters. Moreover, in the Focus Group Discussions, it is observed that elderly members of Cooperatives command a high respect in villages. They enjoy a higher social status. The younger members draw support from them while using the services of their Cooperatives.

Among social indicators, mass media play a very important role to realize the social benefits of Cooperation. Higher level of education, greater exposure to mass media and high social participation of urban members, aggressive use of mass media to disseminate the schemes and programmes of the Government, which are implemented by Cooperatives exclusively for the benefit of landless people and non-farm sectors have enabled to realize the significance of the social role of Cooperation by landless and non-farm sector beneficiaries of Cooperatives.

The social indicator namely family size has negative significant effect among land owning members in rural area due to provision of membership according to land ownership to land owning households whereas the entire family members of a landless household can have membership in
Cooperatives. Moreover, it is a fact that non-farm services of Cooperatives in urban area are availed by the entire family members in their individual capacity.

So far as economic indicators are concerned, Cooperatives do not discriminate members on the basis of economic indicators to provide social benefits. They advocate equality among members.

Among the Cooperation indicators, duration of membership has negative significant effect among members in general and urban members in particular. However the variable namely proportion of borrowings from Cooperatives has positive significant effect to realize social benefits of Cooperation by members in general and members in urban and rural areas in particular. While discussing the purposes of membership in Cooperatives it is observed among villagers including women that they have joined the society with the intention of getting loan. Availing other services than loan, they said, "there is no marked difference between the service features of Cooperatives and the open market". This shows that although Cooperatives have not discriminated members on the basis of social and economic indicators including membership duration, extent of utilization of services of Cooperatives as a factor has positive significant effect to realize social benefits of Cooperation among members.

An indepth analysis of the perception on the social impact of Cooperatives under three broader areas viz., (i) benefits of problem solving features of Cooperation, (ii) identity benefits of Cooperation and (iii) benefits of confidence building features of Cooperation reveals the following inferences. They are given below:

Perception on the problem solving features of Cooperation: Nearly fifty two percent of member respondents and 29 percent of non-member respondents have high perception on the problem solving features of Cooperation. The existence of significant association between membership in Cooperatives and perception on the problem solving features of Cooperation depicts that members of Cooperatives are likely to realise problem solving
features of Cooperation greatly due to actual involvement of members in the management as well as utilization of more services of Cooperatives than non-members. Landownership as a factor does not influence members to realize problem solving features of Cooperation whereas place of domicile as a factor has effect to realize the problem solving features of Cooperation among members.

Comparatively fair level of education of members of urban area seems to be the reason for greater perception on the problem solving features of Cooperation.

LMR analysis reveals that among Cooperation indicator variables, duration of membership as a factor effects negatively. Members who joined recently could also realize problem solving features of Cooperation greatly. However, members with high level of business participation in Cooperatives realize problem solving features of Cooperation to a greater extent than others in general and landowning members and rural members in particular.

Identity benefits of Cooperation: The percentage of respondents under highly perceived category is higher among members than non-members. Further, members of Cooperatives are likely to have high perception on the identity benefits of Cooperation. Active involvement of members in the affairs of Cooperatives seem to have enabled them to have high perception on the identity benefits of Cooperation. LMR analysis reveals that business and management participation in Cooperatives enable to realize identity benefits of Cooperation greatly.

Land ownership as a factor has no influence on the perception on the identity benefits of Cooperation. Whereas, although place of domicile indicates existence of positive significant association, there is no significant difference between urban and rural members on the perception of the identity benefits of Cooperation.
Confidence building features of Cooperatives: Nearly fifty one percent of member respondents and 53.4 percent of non-member respondents have high perception on the confidence building features of Cooperation. There is no association as well as significant differences between members and non-member respondents on the perception on confidence building features of Cooperation. Cooperatives are looked at as an institution creating confidence and hope among people irrespective of membership.

Further, Land ownership as a factor does not influence members to realize confidence building features of Cooperation. Whereas place of domicile as a factor has significant effect to realize the confidence building features of Cooperation among members.

Whereas LMR analysis reveals that Cooperatives have undoubtedly brought high perception on the confidence building features of Cooperation among members. Age, education, contact with change agents, exposure to mass media, proportion of borrowings to total and participation in cooperative management have shown a fairly positive and concrete effect to realize confidence building features of Cooperation.

Democratic Benefits of Cooperation

Nearly sixty two percent of the respondents have a greater appreciation of the democratic benefits of Cooperation and there is no significant difference and association between perception on the democratic benefits of Cooperation and membership in Cooperatives. Thus Cooperatives have promoted democratic values both among members and non-member respondents.

However, there is an association between landownership and the perception on the democratic benefits of Cooperation and there is significant difference in this regard between landowning and landless members. The recent elections conducted to Cooperatives seem to have enabled members to
realize greater democratic benefits of Cooperation. However, since most of the members of the agricultural cooperative societies especially land owning members were deprived of voting right due to their loan delinquencies, they seem to have not derived the democratic benefits greatly. Yet, place of domicile does not have any effect on the perception of the democratic benefits of Cooperation.

The results of LMR model reveal that demographic indicator namely age has positive significant effect to have greater realization of democratic benefits of Cooperation to members in general and landless members and rural members in particular. In the Focus Group Discussion, it is observed that elderly members of Cooperatives alone are in a position to compare the state of affairs of present Cooperatives to what existed prior to the supersession of the board of management in 1976. Hence, they are very articulate about the democratic benefits of Cooperation.

Among social indicators family size has negative significant effect among landowning members. Because head of the farming household alone is provided with membership in agricultural Cooperatives. Other members of the family do not have opportunity to participate in the democratic forum of Cooperatives. Moreover, while clarifying the issue viz., who actually participates in the cooperative management?, it is observed that loan defaulters are denied of their voting right especially in primary agricultural credit Cooperatives. In milk producers' cooperative society non-users are permitted to take part in cooperative management. They seem to be majority in the decision making forum. Yet, exposure to mass media and social participation are important factors to realize democratic benefits of Cooperation.

So far as economic indicators are concerned, family income as well as size of land holdings have positive significant effect among landowning members particularly among rural members due to assumption of leadership majority by land owning members in rural area. However, total assets as a factor has negative significant effect among rural members due to incentives and encouragement of the government to weaker sections to participate in the
management of Cooperatives. Yet, economically strong who could borrow more from Cooperatives derive more democratic benefits of Cooperation.

An in-depth analysis of the democratic benefits of Cooperation under three major aspects viz., (i) advantages of self governance, (ii) democratic benefits to the community and (iii) democratic benefits to individuals reveals the following inferences. They are given below:

Advantages of self-governance: Although the percentage of respondents under highly perceived category is higher among members than non-members, there is no association as well as significant difference between member and non-member respondents in their perception level due to the fact that elected members who represent a small homogeneous community seem to maintain identity with their fellow members of the community. This is the reason for the realization of the advantages of self governance of Cooperatives by both member and non-member respondents.

However, 58.5 percent of landowning members and 50.4 percent of landless members have high perception on the features of self governance of Cooperation. Moreover, there is an association as well as significant difference between landowning members and landless members in their perception level. And there is no association and significant difference between urban and rural members in this regard.

Results of the LMR analysis show that age has positive significant effect to members in general and landless members and rural members in particular. Among the social indicators, family size has significant negative effect among landowning members while social participation has significant positive effect. So far as economic indicators are concerned, total assets has significant negative effect to rural members while family income has significant positive effect to landowning members. However, proportion of borrowings to total from Cooperatives effects significantly to derive the advantages of self governance of Cooperation.
Democratic benefits of Cooperation to the society: The percentage of respondents under highly perceived category is higher among non-members than members. However, there is no association and significant difference between members and non-member respondents in their perception level. Although non-members do not possess any identity with Cooperatives, they could observe and realize the democratic benefits of Cooperation extended to the society wherein the Cooperatives operate. However, as the landowned have got greater opportunity to exhibit in Cooperative democracy landownership plays an important role.

However, the results of LMR model shows that proportion of borrowings to total is the only variable which has positive significant effect to members in general and landowning and rural members in particular in the realization of democratic benefits of Cooperation greatly.

Democratic benefits of Cooperation to individuals: Nearly seventy five percent of the respondents have high appreciation on the democratic benefits of Cooperation provided to individuals. However, there is no association as well as significant difference between perception on the democratic benefits to individuals and membership in Cooperatives. Although all the respondents whether member or not have high perception on the democratic benefits of Cooperation to individuals, it is apt to mention that the members perception is based on actual experience of democratic practices in Cooperatives, whereas the non-members perception is based on hear - say information. Hence, there is an association between landownership and the perception on the democratic benefits to individuals. Moreover, it is found that there is an association between perception on the democratic benefits of Cooperation to individuals and membership in Cooperatives although there is no significant difference between urban and rural members in their perception level.

LMR results reveal that proportion of borrowings to total has positive significant effect to members in general and landowning members in particular.
However, participation in cooperative management has negative significant effect to urban members. Because urban members could have realized much benefits from other forums that exist in urban areas, whereas Cooperatives are the only forum need to Panchayat Raj bodies wherein democracy is practiced at village level could be the reason for greater realization of democratic benefits of Cooperation by rural members.

Empowerment benefits of Cooperation

Analysis on empowerment benefits of Cooperation has been made under two broader areas such as (i) empowerment benefits of Cooperatives for one’s own self and (ii) empowerment benefits of Cooperation for others.

The percentage of respondents highly perceiving the empowerment benefits of Cooperation is higher among non-members than member respondents. Although there is no association between perception on the empowerment benefits of Cooperation and membership in Cooperatives, there is a marked difference in the perception between members and non-members. The reason might be that since non-members do not have entitlement as owners of Cooperatives, they could have felt Cooperatives as a great enabling force providing empowerment benefits.

Further analysis among members reveals that there is no significant difference as well as association between landowning and landless members on the perception of empowerment benefits of Cooperation. However, positive association between perception on the democratic benefits of Cooperation of members and their place of domicile is found. Members in rural area have greater perception on the empowerment benefit of Cooperation than members in urban area. But such difference between members and non-member respondents is not significant. The reason could be that long existence of cooperative institutions in rural areas as compared to that in urban area and serving as an institution which is managed by representatives of the entire village community could have enabled the rural members to have high perception on the empowerment benefits of Cooperation.
The results of LMR model show that duration of membership has significant negative effect among landowning and urban members. However, proportion of borrowings to total from Cooperatives has positive significant effect among members in general and members in rural area in particular. Similarly, services availed from Cooperatives have positive significant effect among rural members, whereas it has negative significant effect among landless members and urban members. This indicates that availing services of the Cooperatives serves as a tool to derive empowerment benefits of Cooperation. Moreover, availing even less services of Cooperatives too enables to derive empowerment benefits. Further, participation in cooperative management enables to derive greater empowerment benefits of Cooperation by members in general and landless, urban and rural members in particular. Hence, it is evident that Cooperation indicators have significant effect to derive empowerment benefits greatly by members. Moreover, focus group discussion reveals that women member enjoy greater empowerment benefits including profit sharing than non-member women.

Empowerment benefits of Cooperation for one's own self: The percentage of respondents under highly perceived category is higher among non-members than member respondents. Although there is no association between perception on the empowerment benefits derived for one's own self from Cooperatives and membership in Cooperatives, there is marked difference between member and non-member respondents. This indicates that non-members are likely to have high perception on the empowerment benefits that are derived for one's own self from Cooperatives greatly. Moreover, although the percentage of member respondents under highly perceived category is higher among landowning members than landless members. There is no association between the perception on the empowerment benefits derived for one's own self and landownership.
Similarly, although place of domicile of members does not have association with perception level of members, there is significant difference between urban and rural members.

The results of LMR model show that duration of membership has negative significant effect to urban members. Whereas proportion of borrowings to total has positive significant effect to members in general and landowning and rural members in particular. Similarly participation in cooperative management has positive significant effect to landless members. Whereas services availed from Cooperatives has negative significant effect to landless and urban members.

Empowerment benefits of Cooperation for others: The percentage of respondents under highly perceived category is higher among non-members than members of Cooperatives. However, there is no association between the perception level and membership in Cooperatives.

Land ownership wise analysis on the perception level of members reveals that there is no association between landownership and perception level. This finding indicates that landownership as a factor does not influence members to realize empowerment benefits provided for others by Cooperatives. Similarly, there is no significant difference on the perception level between urban and rural members.

The results of LMR analysis show that duration of membership has negative significant effect to landowning members and urban members. Whereas participation in cooperative management has positive significant effect among all categories of members. Similarly services availed from Cooperatives has positive significant effect to landowning and landless members while it has negative significant effect to landless and urban members. Thus Cooperation indicators have significant effect to realize empowerment benefits of Cooperation provided for others greatly.
Social reach of Cooperation

Cooperatives are ranked first for their social reach; because villagers consider that Cooperatives encourage youth and women participation, foster human values, enrich the quality of life, and promote gender equality.

While discussing about panchayats, people consider village panchayat also as an important social organization. Yet, they rank it next only to Cooperatives, as it does not provide for synchronizing the group interest with the interest of individuals for economic and social developments.

Barriers impinging social contributions of Cooperatives

Problems related to constitution of Cooperatives: In the realization of social benefits of Cooperation, majority of members in general and landowning rural members in particular felt that existence of inactive members in the cooperatives has resulted in inefficiency among Cooperatives. Non-repayment of loans promptly in time (75%), lack of participation in the management and administration of Cooperatives (70%), absence of ownership spirit (70%), visualizing Cooperatives as an institution for availing benefits of the government (65%), and absence of commitment to the cause on the Cooperatives (70%) have hampered the social contributions of Cooperatives.

Members in urban area reveal that inactive membership in Cooperatives is a barrier to the realization of social benefits of Cooperatives. Although urban members have got fairly higher level of education and exposure to mass media than members in rural area, the problems of inactive membership remain common to both rural and urban members.

The problems related to constitution of Cooperatives are also aggravated by the policy of adoption of universal membership. Landowning members indicated that adoption of universal membership in Cooperatives is the major reason for infiltration of power and politics in Cooperatives. Landless members found this as the root cause for changing membership behaviour in
Cooperatives. Urban members view that adoption of universal membership is the major cause for increase in inactive membership in Cooperatives.

The constitution of Cooperatives is also affected by lack of informed membership. Cooperatives require individuals who can shoulder the responsibility of membership in Cooperatives at any point of time.

While referring to area of operation of the cooperative society, majority of members felt that wider area coverage has widened the anonymity among members although the benefits of scale advantages in business transactions are accrued. Moreover, serving the heterogeneous needs and wants of people by a Cooperative resulted to various segmentations among its members. When people with unmet needs and wants constitute membership in Cooperatives, they justify their changed behaviour against Cooperatives by drawing strength and support from other agencies and institutions which aim at counter-fitting or outstripping the Cooperatives.

Problems related to management of Cooperatives: Absence of homogeneous interest and group in the management structures, lack of autonomy in decision making, personal based voting, political interventions and group dynamics with personal objectives, group rivalries and group coterie, poor transparency in management affairs, absence of accountability and responsibility among elected as well as official leaders etc., are highlighted as limiting factors of maximization of social benefits of Cooperation.

Problems related to administration of Cooperatives: State intervention in Cooperatives, forced implementation of the Government schemes and programmes through Cooperatives, malpractices and mal-administration, management by special officers are limiting the social contributions of Cooperatives. Land owning members revealed that State intervention in Cooperatives although has helped to expand the scope of activities of Cooperatives, has created wilful defaulters among members.

Problems related to services of Cooperatives: Lack of needy services, inadequate quality and quantity services with Cooperatives and cumbersome
procedures especially in availing financial services from Cooperatives are the
major barriers affecting maximization of social benefits of Cooperatives.

Conclusion

The study has brought out adequate evidences on the social
contributions of Cooperatives. Social contribution particularly in promoting
social values such as developing human qualities - tolerance, sacrifice,
friendliness etc., equality, non-discrimination, a sense of oneness and
solidarity and promoting self confidence and social responsibility among
people, democratic contribution in leadership development, promoting
collective action, encouraging people's participation and promotion of self
governance etc., and benefits of empowerment to individuals and the society,
advocating justice in all social issues of Cooperatives are very explicit. The
study has also identified certain special traits of cooperative membership found
among members of Cooperatives. Contributions towards creating better man
and cherished social values have been well realized by all those who takepart
in Cooperative efforts. However, the study finds the leverage effect of
economic performance of Cooperatives on their social contributions. Since
economic performance of Cooperatives are subjected to global as well as
national policies, the need to provide conducive organizational soundness so
as to enable the Cooperatives to avail of the strengths and opportunities of the
changed environment and to function as efficient and effective self-propelled
institutions. The study, therefore suggests a few measures of policy
implications to maximize the social contributions of Cooperatives.

State and the Cooperatives: The role of State in the cooperative
movement is very significant particularly in countries like India where the
movement is the brain child of the State. The need for state intervention in
Cooperatives is highly felt. But at the same time it is also felt that the basic
characteristics of Cooperatives should also be preserved. Therefore,
Cooperatives should maintain relationship as adumbrated by Saint
Thiruvalluvar in his Kural:
states that even like those, who desire to warm themselves before a fire, persons in the king's service should not go too close, nor stay away too far.

In this regard it is suggested that the Government may enact two separate laws for Cooperatives: one for the aided cooperative societies in Tamilnadu and the other one for self-reliant Cooperative societies. The state government has to take all necessary efforts to bring the aided Cooperatives to be self-reliant in due course. Gradual withdrawal of state partnership in Cooperatives is advocated.

**Constitutional Protection to Cooperatives:** Although the Cooperatives are governed by the state legislature, it is suggested that constitutional amendments may be brought so as to preserve and practice Cooperatives on the line of their principles and philosophy. For example, conduction of election to Cooperatives, ensuring democratic management and administration, preserving autonomy and independence in decision making etc., can be ensured although they have been shattered by the operational guidelines and procedures as and when laid down by the state legislature. National Policy on Cooperation promulgated by the Central government can be put into operative only when constitutional amendments are brought at the national level. Moreover, effective utilization of pecuniary assistances of government appropriated to Cooperatives can be ensured when constitutional protection and constitutional bind of the State Government on the Cooperative Development Policy is made.
Structural Soundness: The super structures for Cooperatives are created on the presumption that they will ensure for balanced growth and perpetuation of Cooperatives and establish organizational link and business collaboration among Cooperatives at all levels. The unsolved problems of primary cooperatives are expected to be solved by their federal organizations. The federal organizations should function strictly in accordance with Agency Theory which highlights the significance of mutual economic gains to parties who constitute as a basic unit of the system although there are perversions in the relationship between and among Cooperative enterprises. Hence it is suggested that the constraints and problems in building up/establishing harmonious relationship/collaboration among and between Cooperatives need to be taken to bring every Cooperative institution to be a viable business unit.

Change in Business Orientation: The concept of customer orientation is very well inherent in Cooperatives. Because the common felt need of members of Cooperatives are the foundation from where the very objectives of Cooperatives flourish. Hence the activities taken up by Cooperatives necessarily will be in tune to the needs and expectations of members. However, when Cooperatives are regarded as tools for economic emancipation among weaker sections, the need to take up the activities under the schemes and programmes of the government is quite obvious. Moreover, Cooperatives are expected to render their services to the general public. Hence when the services of Cooperatives are availed by non-members, the need to have consumer orientation by Cooperatives is felt. Unless Cooperatives do not meet the needs and wants of the members and non-members, expected operational viability as well as effectiveness of Cooperatives cannot be realised. Moreover, when the entire economic transactions are driven by market forces, the need to have marketing/consumer orientation by Cooperatives requires no emphasis. Steps, therefore, may be taken up to orient the Cooperatives on the marketing forces and competitive dynamics.
Professionalism in Management: Bringing professionalism in management is one of the toughest tasks in Cooperatives. Because professionalism as a subject matter is highly related with cost aspects, i.e., higher the professionalisation, higher will be the cost of management. Since Cooperatives have their own limitations of not being profit oriented, they cannot afford to avail of the advantages of high professionalism. On the other hand, absence of professionalism in the management of Cooperatives may result to inefficiency and ineffectiveness. Keeping in view the above fact, professionalism to management of Cooperatives is highly felt. Although the Government has realized of the significance of professionalism for Cooperatives, it is suggested that professionalism should not be clubbed with bureaucracy. Since bureaucracy appears to be one of the reasons impinging the maximization of social benefits of Cooperatives, appropriate measures may be taken to segregate bureaucracy from professionalism in Cooperatives.

Enlightened membership: Since Cooperatives are economic organizations with social objectives, they require people with enlightenment who are fully convinced of the basic values/ principles and philosophy of Cooperation. Individuals who seek membership purely on business propositions cannot help the Cooperatives in accomplishing objectives. Even while the schemes and programmes for the development of people are implemented through Cooperatives, it is suggested that the scheme beneficiaries should be exposed of the basic requirements which the Cooperative organizations expect out of them. Universalisation of membership is strongly objected and the need for Cooperative education, training and extension is highly felt. Appropriate strategies may be evolved in this regard. Youth and women are to be encouraged to takepart actively in Cooperatives.

Areas for further Research

The study suggests a few areas for further research on Cooperation.

- In spite of socio-economic impact of Cooperatives, still there are drift in membership and also there are non-members. A study on psycho
socio-economic characteristics, which act as barrier for Cooperative membership as well as active participation in Cooperatives, may be undertaken.

A fact-finding study on the relationship between organizational climate, structural viability, economic performance of Cooperatives and with that of maximization of social impact of Cooperation may be undertaken.

A qualitative assessment of the relationship between practice of cooperative ideologies and its effect on social contribution of Cooperatives is essential.

A study on optimization of social, empowerment and democratic benefits with that of economic performances of Cooperatives may be embarked.

Social supremacy of Cooperatives in relation to other forms both business and non-business concerns may be gauged through field investigations.