

LOCAL ECONOMY: VIEWS FROM MADURAI GRASSROOTS CONVERSATIONS

By Dr Denison Jayasooria (ASEC Chair)

Fifteen people gathered at the ASSEFA Sathuragiri Campus at Ammapatti village about 33 kilometres south of Madurai city in Tamil Nadu. The conversation was about local economy issues and how these impact rural India including how to empower local communities to face these challenges. All who participated are directly involved with the Association for Sarva Seva Farms (ASSEFA), India. Of them, five were women and the rest male. They are all working at the grassroots.

The discussion was very fruitful and was facilitated by ASEC President, Dr Denison Jayasooria from Malaysia. Three key questions were asked by the facilitator:-

What is the difference between dominant economies models with that of the community based economy practices by ASSEFA partners?

What are the achievements and challenges?

What is the way forward?

There was a lively discussion and a majority shared their views, concerns and future possibilities. It is significant to note that many who participated are working for more than ten years in community based projects. ASSEFA is not a single organisation but a network of many village based socio economic groups, associations and business ventures with a common goal of socio economic empowerment of rural villages.

What is the difference between dominant economic models with that of community based economies among ASSEFA partners?

Two major differences cited between traditional business and the community approach of ASSEFA are the community nature and the socio-economic services undertaken. People's direct and active involvement is the major difference. It is the collective ownership and running of the economy projects at the grassroots. The leadership is at the village, block and across villages through a federation of neighbourhood groups. These are people representatives at all levels.

The second are the beyond business and profit services such as local women empowerment including legal literacy and legal aid and other socio development projects such as health, education and local leadership development.

In addition a significant feature is women participation especially at the grassroots by the self-help groups (SHG). These SHG is a collective organising at the neighbourhood village level by a group of 20 women and these groups are collectively organised as a federation. The leadership at both village and federation level are by the women themselves as they are organised as Chairman, CEO and accountant at the federation level. While they undertake individual enterprise initiatives, however the distinctive feature is the collective decision making and accountability including access to credit and capability building programs

They noted that in the entrepreneurship and business activities undertaken there is an empowering process which is the handholding process of the people at the grassroots and also

the continues undertaking of socio economic activities to enhance improved quality of life. The ASSEFA involvement is a long-term commitment, ranging over 20 years of direct people to people participation at the village level for socio economic upliftment through self-help and resilience. It is therefore an agenda beyond just undertaking economic or income activities but twin approach of inclusive social development for all at the local community.

The ASSEFA network of partners provide a collective set of assistance to grassroots communities such as leadership development, capacity building on specific crop or diary knowledge, collective marketing, financial loan availabilities and non-financial or banking activities.

What are the achievements and challenges?

Participants shared of the successful diary (milk) production with each family owning 3 to 5 cows. There is collective milk collection, chilling and then sending to milk factory for processing. All these organised by the local groups in a collective way. They are producing quality milk at fair & competitive prices. This is in a collective cooperative model as opposed to individual business or big business model. Here the producers are co-owners and not just passive producers. This approach is also applied to other agricultural and food producing crops. They have also organised farmers markets which is a reginal feature at the rural level where farmers have an opportunity for direct sale of their products. In addition water purification micro plants set up where drinking water could be purchased. These are all viable and profitable businesses at the village level.

The participants highlighted that their objective was to keep the local people in the village with self-employment prospects without having to leave the village for the urban slums in search for jobs.

The participants also said they had no political advocacy role nor function as a pressure group on the political leadership at the local, State or National level. Their collective action has resulted in local empowerment and collective action for socio economic development. Their work as a community builders has resulted in pioneering grassroots improvements which often is adopted by the State and local government including the political leadership due to their successful initiatives. Two examples were highlighted.

The first is self-help groups and the grassroots organising of women. The ASSEFA partners developed the self-help group approach in the early 1970 and 1980s. Tamil Nadu State agenda of Self Help groups began in the 1990s. ASSEFA example was illustrative of what is possible as the grassroots.

The second is the village level leadership committee. ASSEFA had introduced the village level leadership group especially in the formative period when addressing landlessness and ASSEFA role in securing land for the grassroots. This was a Gandhian strategy of village level collective leadership structure. With State and government development of grassroots leadership, ASSEFA structures were dismantled so that its members and partners began to participate in the state sponsored local leadership & governance schemes.

In the area of challenges the participants at the afternoon conversation highlighted five major challenges and concerns:-

First, are the issues surrounding climate change and its impact on village life especially the planting of crops. Their main struggle is there is no rain especially during the planting phase. If in one year the crop fails, local farmers unwilling to risk another year doing the same. Therefore the challenge is how to plant less water dependent crops. This also raises the long-term investment by the State on irrigation systems at the village level. Crop and other educational literacy on new technology and agriculture is needed.

Second due to climate failure and crop losses the debt level has risen. Many become victims to money lenders and alternative micro credit and financial literacy is most essential. ASSEFA provides such financial services and they need to build up their capacity in this area

Third, marketing and fair prices are key issues. They highlighted the lack of government support in this matter and need for further support for food security matters as there is much local potential if there is greater public sector commitment to farmers.

What is the way forward?

A number of key ideas were suggested by the participants. The first is climate change adoption. The key here is to reduce water dependency and choose other crops which do not need so much water. Farmers need awareness and attitudinal change for adoption of new ideas. This requires training, awareness, exposure and good illustrations of success in challenging weather conditions.

Second, encouraging young people involvement in agricultural production. This was noted as a major challenge. That young people left the village for jobs in the urban centres and the long term sustainability of a workforce in the agricultural sector is a challenge. The campaign to get young people to stay in rural areas by improving the quality of life in the village and ensure better returns for their labour and investments.

Third, ASSEFA has proposed the setting up a training centre for local economy development at Sathuragiri Campus at Ammapatti village with the support and partnership of local and foreign universities to training and equip a new generation of young people committed to local and community based economies. Asian Solidarity Economy Council (ASEC) and its partners are invited to assist in this process and help make an Asian level centre of alternative economies and foster a boost for rural economic development.

Conclusion

The discussion among grassroots workers from ASSEFA network highlighted the tremendous potential of local economies which are community based. They are all successful alternative business models to private sector investment and people disempowering approaches. While at the villages surrounding Maduri they are visible alternatives but at the state, national and global levels there is very little awareness of these.

A stronger global advocacy and visibility program is urgently needed. It is hoped that the World Social Forum for Transformative Economies will provide the space for these grassroots voices to be heard as viable alternatives which is inclusive and empowering the local communities especially in rural South India.

Dr Denison Jayasooria who is the Chair of the Asian Solidarity Economy Council & Hon Research Fellow of the Institute of International Harmony & Sustainable Development participated in the three days ASSEFA's 50 year celebration which was held from Jan 9 to 11, 2020 during which time a special discussion was organised on Jan 10, 2020 as input to the World Social Forum on Transformative Economies in May 2020 at Barcelona, Spain.