



GENERAL CO-OPERATIVE MARKETING SOCIETIES – A PROMISING SOURCE OF LIVELIHOOD CREATION

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Abstract

Livelihood is the most important element for human survival and development. Agricultural workers constituted a largest segment of our economy. The entry of general co-operative marketing societies in the areas of agriculture has become a promising source of livelihood creation and also provides higher income possibilities. General co-operative marketing societies help its members to increase their income to the maximum level by lowering marketing costs and by securing fair prices for their produce. Through this session an attempt is made to evaluate whether member's livelihood enhancement activities of general co-operative marketing societies are practicable or not and to identify pertinent issues of general co-operative marketing societies that is impinging the enhancement of member's livelihoods.

Keywords: General Co-Operative Marketing Societies, Kerala & Livelihoods.

Introduction

Income generating employment is the most fundamental component of a livelihood. Food security and poverty are the two major causes of the vast human under development. People need income and employment to fulfil their basic needs. A sizable number of the poor of the Kerala are concentrated in the rural areas. The economic development of the State has been primarily urban oriented, and their benefits have not trickled down to the rural sector, which is predominantly centered on agriculture. Therefore, agricultural growth is also an important factor that creating primary employment to rural masses.

The income of the agriculturalists today depends to a large extent, on the ability with which he is able to market his produce for a fair price. Even if the producer side is strengthened and cultivation improves, the cultivator would not gain much, if there is no proper arrange for marketing of his produce. In view of the imperfections of the system of agricultural marketing, orderly marketing need be developed, which will secure for the cultivator a larger proportion of consumers price and which is a sine qua non for agricultural movement in India especially in Kerala. In these circumstances co-operative marketing societies established.

The need for general co-operative marketing societies in today changing business and technological environment is keenly felt in the Indian economy against the background of defects and malpractices existing in the prevailing marketing system encompassing agricultural produce. General co-operative marketing societies offer, the economic gain to producers in terms of better price. Through co-operative marketing both the producer and the consumer are benefitted to a great extent. The consumer can get a product of better quality at a reasonable price while the producer can get high remuneration of his product. General co-operative marketing societies give not only a fair price to the producer and consumer of agricultural goods but also create new employment opportunities among the unemployed youth in rural areas.

General co-operative marketing societies have now diversified their activities to cover new lines of business like production of fertilisers, processing and distribution of agricultural inputs, agricultural outputs and consumer goods, manufacture and distribution of improved agricultural implements, building godowns and warehouses. Diversification activities helped farmers in so many ways. General co-operative marketing societies have professional paid staff for marketing activities. One society manages the agricultural marketing for a number of villages.

Objectives of the Study

Objectives of the present study are as follows;

1. To evaluate whether member's livelihood enhancement activities of general co-operative marketing societies are practicable or not.
2. To identify pertinent issues of general co-operative marketing societies that is impinging the enhancement of member's livelihoods.

Methods

Present study focused on the general co-operative marketing societies functioned under the administrative control of Registrar of Co-operative Societies in Kerala. Present study conducted mainly on the reliance of primary data. Primary data collected from 107 members of general co-operative marketing societies. A structured interview schedule was prepared for that purpose. Three point scale questions and five point scale questions were included. For analysing members opinions regarding practicability of various activities and to evaluate pertinent issues of general co-operative marketing societies that is impinging the enhancement of members livelihoods , t test was used.



Results and Discussion

Among co-operative bodies working in the State of Kerala, the general co-operative marketing societies has quite rightly come to occupy an important place. A co-operative marketing society is an association of active cultivators for marketing their collective produce and organised on co-operative principles. Through this session an attempt is made to evaluate whether member's livelihood enhancement activities of general co-operative marketing societies are practicable or not and to identify pertinent issues of general co-operative marketing societies that is impinging the enhancement of member's livelihoods.

Table 1: Livelihood potentials to members

Statements	Never		Certain extent		Highly		Mean	SD	t	Sig.
	N	%	N	%	N	%				
Promotion of agriculture in dry and hilly areas	39	36.45	39	36.45	29	27.10	1.91	0.80	-1.215	0.227
Fixation of remunerative price to products	13	12.15	36	33.64	58	54.21	2.42	0.70	6.207	0.000
Linking credit with marketing	74	69.16	24	22.43	9	8.41	1.39	0.64	-9.808	0.000
Advancing pledge loans to members	105	98.13	2	1.87	0	0.00	1.04	0.27	-36.589	0.000
Encouraging participation of women in agriculture	87	81.31	7	6.54	13	12.15	1.31	0.68	-10.541	0.000
Introduction of investment avenues for members (Chitti operations)	63	58.88	24	22.43	20	18.69	1.60	0.79	-5.279	0.000
Interest free agricultural loans	13	12.15	48	44.86	46	42.99	2.31	0.68	4.701	0.000

Source: Survey data

It can be seen from the above table that 36.45 per cent of members of general co-operative marketing societies opined that promotion of agriculture in dry and hilly areas is not practicable, 36.45 per cent of members of general co-operative marketing societies opined that promotion of agriculture in dry and hilly areas is practicable to certain extent and 27.10 per cent of members of general co-operative marketing societies opined that promotion of agriculture in dry and hilly areas is highly practicable. Mean value (1.91) of the opinion score of practicability of such objective is shown in the table is in an average manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

It is observed from Table No. 1 that 12.15 per cent of members of general co-operative marketing societies opined that fixation of remunerative price to products is not practicable, 33.64 per cent of members of general co-operative marketing societies opined that fixation of remunerative price to products is practicable to certain extent and 54.21 per cent of members of general co-operative marketing societies opined that fixation of remunerative price to products is highly practicable. Mean value (2.42) of the opinion score of practicability of such objective is shown in the table is in a good manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

Table No. 1 disclosed that 69.16 per cent of members of general co-operative marketing societies opined that linking credit with marketing is not practicable, 22.43 per cent of members of general co-operative marketing societies opined that linking credit with marketing is practicable to certain extent and 8.41 per cent of members of general co-operative marketing societies opined that linking credit with marketing is highly practicable. Mean value (1.39) of the opinion score of practicability of such objective is shown in the table is in a bad manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

It is observed from Table No. 1 that 98.13 per cent of members of general co-operative marketing societies opined that advancing pledge loans to members is not practicable and 1.87 per cent of members of general co-operative marketing societies opined that advancing pledge loans to members is practicable to certain extent. Mean value (1.04) of the opinion score of practicability of such objective is shown in the table is in a bad manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

It is seen from Table No. 1 that 81.31 per cent of members of general co-operative marketing societies opined that encouraging participation of women in agriculture is not practicable, 6.54 per cent of members of general co-operative marketing societies opined that encouraging participation of women in agriculture is practicable to certain extent and 12.15 per cent of members of general co-operative marketing societies opined that encouraging participation of women in



agriculture is highly practicable. Mean value (1.31) of the opinion score of practicability of such objective is shown in the table is in a bad manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

It is noticed from Table No. 1 that 58.88 per cent of members of general co-operative marketing societies opined that introduction of investment avenues for members (Chitti operations) is not practicable, 22.43 per cent of members of general co-operative marketing societies opined that introduction of investment avenues for members (Chitti operations) is practicable to certain extent and 18.69 per cent of members of general co-operative marketing societies opined that introduction of investment avenues for members (Chitti operations) is highly practicable. Mean value (1.60) of the opinion score of practicability of such objective is shown in the table is in a bad manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

It is seen from Table No. 1 that 12.15 per cent of members of general co-operative marketing societies opined that interest free agricultural loans is not practicable, 44.86 per cent of members of general co-operative marketing societies opined that interest free agricultural loans is practicable to certain extent and 42.99 per cent of members of general co-operative marketing societies opined that interest free agricultural loans is highly practicable. Mean value (2.31) of the opinion score of practicability of such objective is shown in the table is in a good manner. Opinion wise variations in respect of this variable are seemed to be not significant when t-test is applied.

Table 2: Pertinent issues

Reasons		Very low	Low	Average	High	Very high	Mean	SD	t	Sig.
Financial difficulty	n	4	8	2	7	86	3.58	0.24	65.478	0.000
	%	3.74	7.48	1.87	6.54	80.37				
Poor share capital contribution	n	2	4	5	9	87	4.14	0.84	28.357	0.000
	%	1.87	3.74	4.67	8.41	81.31				
Poor member support	n	8	3	4	10	82	3.87	0.3	35.247	0.000
	%	7.48	2.80	3.74	9.35	76.64				
Lack of professional expertise	n	1	3	14	16	73	3.72	0.85	32.247	0.000
	%	0.93	2.80	13.08	14.95	68.22				
Insufficient staff	n	2	6	49	24	26	4.14	0.85	12.254	0.000
	%	1.87	5.61	45.79	22.43	24.30				
Poor plan preparation	n	4	3	4	10	86	4.87	0.76	38.248	0.000
	%	3.74	2.80	3.74	9.35	80.37				
No supervisory control	n	4	4	7	16	76	3.14	0.98	83.984	0.000
	%	3.74	3.74	6.54	14.95	71.03				

Source: survey data

It is observed from the table that general co-operative marketing societies are facing 3.58 mean value of financial difficulty problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

From the table it can be identified that general co-operative marketing societies are facing 4.14 mean value of poor share capital contribution problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

It is seen from the above table that general co-operative marketing societies are facing 3.87 mean value of poor member support problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

It is observed from the table that general co-operative marketing societies are facing 3.72 mean value of lack of professional expertise problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.



It is clear from the table that general co-operative marketing societies are facing 4.14 mean value of insufficient staff problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

It is inferred from the table that general co-operative marketing societies are facing 4.87 mean value of poor plan preparation problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

It is observed from the table that general co-operative marketing societies are facing 3.14 mean value of lack of supervisory control problem. The 't' test indicates that there is significant difference in the opinion regarding the problem faced by general co-operative marketing societies.

Findings of the Study

More than 50 per cent of members opined that the activities of Advancing pledge loans to members, Linking credit with marketing, Encouraging participation of women in agriculture and Introduction of investment avenues for members (Chitti operations) are not practicable. Similarly, more than 50 per cent of members opined that the activity of fixation of remunerative price to products is highly practicable. Majority of them opined that interest free agricultural loan is practicable to a certain extent.

The enhancement of members livelihood through general co-operative marketing societies has affected poor financial base of the society. They have not been able to build up a better understanding and business relations with their own members and employees. This has compelled them to function within their own limited spheres and without any perspective for their future development in various ways. Large number of general co-operative marketing societies today is not viable, while many are practically dormant. Their principal problem is to secure sufficient finance for current operations. Due to this sufficient services are not given to members. This allows middlemen to enter. Inactive members participation with general co-operative marketing societies is a barrier to the enhancement of members' livelihoods. Absence of member's communication with general co-operative marketing society is a serious issue concerning the enhancement of members' livelihoods.

Suggestions to Overcome the Problems Identified

Developing savings habits through general co-operative marketing societies in order to stop them from going to money lenders and make credit available. Train all persons working general co-operative marketing societies to feel oneness. This ensure co-operation among all members of co-operatives as well as ensure maximisation of social and economic benefits as perceived by members. Concrete steps should initiate to revitalize poor co-operatives to make them viable. For the active members participation, general co-operative marketing societies should actively involved in extension works. Many of the managerial and supervisory functions call for specialised knowledge and technical skills. The societies should recruit qualified staff and should train the existing staffs in proper way.

Conclusion

The majority of people living in rural areas draw their livelihood from agriculture. The provision of adequate and stable incomes will enable the poor to satisfy their needs and wants in the society. For fulfilling various needs of agriculturalists General Co-operative Marketing Societies were established. The society has the responsibility to provide the means of livelihood to those who are interested to take agriculture as livelihood. Unfortunately, quite a large number of General Co-operative Marketing Societies founded to ameliorate the economic conditions of their members by catering to their multi-faceted marketing requirements have failed to yield desired results. In order to solve these problems a co-operative frame work has to be strengthened by way of organizing new General Co-operative Marketing Societies in remotest areas and revitalize existing poor performance societies. This will be ensured wealth creation, food security and employment generation.

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