

# **Socio-Economic Transformation and Multipurpose Women Cooperative Societies in South India<sup>1</sup>**

**Dr S. Rajendran**

Professor and Head, Department of Economics, Periyar University, Salem – 636 011, India. E-mail: [myrajendran@yahoo.com](mailto:myrajendran@yahoo.com) Fax No: 91-427-2345565, Tele: (O) 91-427-2345030, Mobile: 098946-02551

**Key Words:** Social Economy, Multipurpose Women Cooperative Societies, Socio-Economic Transformation and Civil Society.

## **Abstract:**

*Cooperative framework has long existence in India and entered into all spheres of activity to make socio-economic transformation. The social economy assumes significance, as the society is heterogeneous with strong historical background. It is argued that the state launches development programs with 'Top Down' principle to meet with poor socio-economic development. Nevertheless, civil society covering cooperatives provide logistic support through 'Bottom Up' approach for transforming socio-economic fabric. (Brett, 1993 and Rajendran, 2004a). Hence cooperatives have been accepted among the communities to grow across rural and urban areas. The new generation cooperatives like the women cooperatives are functioning relatively well in some areas of the economy albeit some difficulties surfaced. Therefore, in the present study initiatives made by the multipurpose women cooperatives in south India have been taken up for an in-depth exploration. Empirical evidences demonstrate that cooperative initiatives by women have made considerable socio-economic change and hence it is suggested that such model may be replicated in fragile areas.*

## **I. Introduction:**

The third sector institutional framework including cooperatives provides logistic support through 'Bottom Up' approach for transforming the socio-economic fabric of the society (Brett, 1993 and Rajendran, 2004) to attain overall development particularly in the fragile rural areas. Across the world, voluntary sector has emerged as a complementary institutional framework and sometimes an alternative system for promoting development initiatives (Muttalib, 1987) more so in poor resource endowed regions and marginalized societies. As an institutional framework, the cooperatives in India inroad into nook and corner and every sphere of economic activities

---

<sup>1</sup> Paper presented at the First International CIRIEC Research Conference on the Social Economy, held in Victoria, BC, Canada between October 22-25, 2007.

including credit, consumer and women thereby bringing considerable change. The failure of the state in providing development works through 'Top Down' mechanism often resulted in mushrooming third sector institutions including cooperatives, especially in developing countries like India (Sethi, 1993). The private sector in general on its part heavily concentrates on making profit without concentrating on the societies' economic welfare and development. Consequently, large people have been marginalised from enjoying the fruits of development initiatives and there is a clear vacuum in making the people economically empowered. Expectedly, this has forced and enabled the third sector covering cooperatives to lead development activities especially in the developing regions of the world, where the livelihoods are often at stake and sometimes denied. There are methodological and ideological differences over the acceptability of cooperatives into the third sector framework. But still researchers have been interchangeably using these concepts for explaining the development underpinnings with the broad domain of attaining transparent and vibrant socio-economic change.

According to the Human Development Report, the states in many developing countries discourage community's participation and starting from a 'Top Down' development philosophy, such states generally concentrated in providing food and services rather than enabling people to do more for themselves (UNDP, 1993). Means and ends of lopsided 'Top Down' approach by the state for the development initiatives has at times failed in a pluralistic society like India and institutions such as cooperatives especially those managed by women have positively influenced (Kamala, 1987 and Rajendran, 2004a), despite there are some difficulties and even failures (Ramanujam, 1995). At present in the world, India has the largest cooperative network in terms of membership, share capital and so on. At the same time some cooperatives in India due to various intriguing reasons, do encounter difficulties for their very survival and in coming years

this would become much more serious as the market based economic system unleash the development. Empirical studies show that factors like inefficient leadership, lack of accountability, excessive political intervention and poor management of resources have all contributed for the malfunctioning and failure in a few cooperatives. Erosion of values, commitment and ethics is another reason for the defunct of some cooperatives in India (Dongre, 2004) and further he observed that politicization of cooperative leadership largely led to failure of this system. However, there are some cooperatives, which stand as role models to their neighborhood, which can be emulated from micro level to macro plans and vice versa.

Therefore against this backdrop a moderate attempt is made to examine the socio-economic contours of multipurpose women cooperatives (MPWCs) from the Second largest South Indian State - Karnataka. As already observed India has a long tradition of cooperative movement and many women cooperatives are successful in their endeavor in changing the socio-economic conditions of their members in respective areas (Chandrashekara, 2002). Nevertheless, it is imperative to analyze the operational aspects of such institutions for ushering effective functioning and fostering their ultimate goal of attaining overall development. Hence the present study has two fold objectives and firstly to analyze the trend in the growth of MPWCs at macro level and secondly to explore dimensions of MPWCs at micro level with field data. This paper is divided into four sections with introductory part; next section deals with the methodological design; the third section provides a detailed account of the MPWCs at macro and micro levels. The last section is devoted to draw major findings of the study and also to give a few suggestions for the better functioning of the cooperative societies in general and the MPWCs in particular in the context of building, strengthening and developing communities.

## **II. Methodological Design:**

Cutting across research issues collating and interfacing the analysis of secondary source of information with primary data possibly concretize the whole framework of MPWCs and accordingly, both primary and secondary sources have been used. While macro level secondary data for two decades were collected from the government's published documents, primary data were gathered for one financial year from Mysore district in Karnataka. The reference periods for the secondary data are restricted for two decades from 1980-81 to 1999-2000 as the data are readily available. Variables like number of MPWCs, financial status and membership from secondary source and the magnitude of asset holdings; income, employment and related aspects from primary source were collected. The field level information was enumerated using pre-tested schedules from 24 beneficiaries of two MPWCs and equal number of households was selected as control group for comparative analysis. Further cooperators and local officials were interviewed to know their grassroots perspectives to strengthen the analysis and empirical inferences. Simple statistical tools were used for data analysis for issues like growth, dimensions and perspective of MPWCs and pictorial illustration have been given for effective reasoning.

## **III. Analysis and Discussion:**

This section takes a look at the macro and micro contours and dimensions of the MPWCs both all India and State (regional) levels. While the initial paragraphs deals with the macro dimensions of MPWCs in the country as a whole and in the state with published data, subsequent paragraphs explain the field level issues with micro level household data. Finally it is devoted to interrelate the macro picture with the micro level inferences to draw policy suggestions in the large context of strengthening social economy. The magnitude of MPWCs is high as compared to all types of societies in the state of Karnataka as could be seen from Table -1. This is perhaps

due to the fact that these societies perform well in this state obviously for serving the community. Unlike in the yester years womenfolk is doing very well in the areas of education and employment to empower themselves in the society. The recent revolution in the area of establishing Self-Help Groups exclusively for women is a classic example in India. Moreover due to proactive women centred public policies female enrollment in primary and higher education and organized employment have been increasing. Similarly women show interest in establishing cooperatives.

**Table - 1: Comparative Picture of MPWCs at all India and State during 1999-2000**

Particulars	Country	State	Percentage of column 3 to 2
All cooperative societies	525310	28462	5.42
MPWCs	8393	864	10.29
Percentage to total cooperatives	1.60	3.04	--

Source: NABARD (1995) and GOK (2000)

In India at macro level MPWCs form less than two percent to total societies in the reference year of 1999-2000. With regard to state - Karnataka - this figure accounts to little more than three percent, demonstrating an important aspect that MPWCs have greater role to play in the state. Similarly, it is observed that the concentration of MPWCs is high as compared to all types of societies in this state. As could be seen from the table -1, while of all societies around six percent of the total cooperative societies located in this state, MPWCs accounted to more than 10 percent to total MPWCs. Thus from the above it is evident that MPWCs in the state of Karnataka dominate due to various reasons like encouragement of Self Help Groups (SHGs) like Streeshakthi and the like. In fact to mark the centenary celebrations of cooperatives, recently the state government sanctioned Rs 50000 as loan for each Streeshakthi, covering more than 1000 members that perhaps would have empowered economically in the long run.

A cursory look at the secondary data reveals that the growth of MPWCs in the state is faster than the all India figures. At macro level in these MPWCs the growth of membership, capital and turnover are increasing significantly as compared with all India growth rates. It is perhaps due to the fact that Karnataka has historical background for cooperative system and it has kept the tempo for serving the people. It is to be remembered that the cooperatives are functioning on a democratic way and the state government is taking all efforts to conduct the elections for different levels of cooperatives and this would have resulted in proliferating the cooperatives here in this state. A bird's eye view at the compound growth rate (CGR) of various aspects of MPWCs indicates that the state of Karnataka is better as compared with the country as a whole as given in Table 2.

**Table - 2: CGR of MPWCs in Karnataka and India (in percent)**

Particulars	Growth rate		Overall Growth Rate (1980-81 to 1999-2000)
	80-81-89-90	90-91-99-00	
<b>All India</b>			
1. Numbers	6.28	9.30	13.27
2. Membership (00s)	17.06	5.12	18.41
3. Share capital in (000 rupees)	21.97	8.95	27.97
4. Government share in (000 rupees)	9.77	10.99	19.41
5. Total working capital in (000 rupees)	38.91	0.99	41.04
<b>State</b>			
1. Numbers	21.50	8.89	19.04
2. Membership (00s)	22.59	7.83	21.28
3. Share capital in (000 rupees)	37.56	17.45	32.14
4. Government share in (000 rupees)	33.70	18.80	28.63
5. Total working capital in (000 rupees)	42.46	4.74	30.68

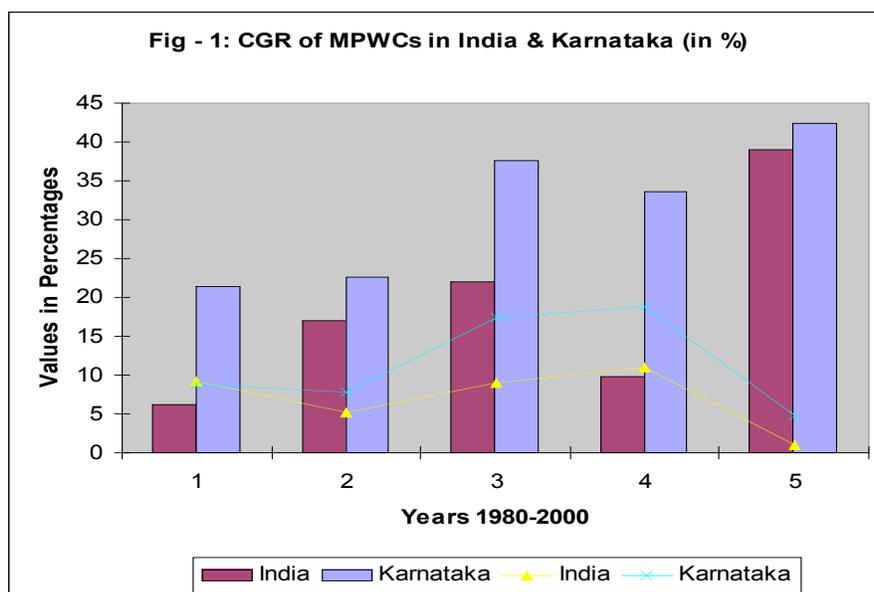
Source: Same as table 1 and NCUI (2001)

A number of aspects like magnitude of members, financial position etc., shows the faster growth of MPWCs. Above table explains the fact that with regard to volume of cooperatives, membership, share capital; government share capital and total working capital show positive trend for all India as well for Karnataka. However, a cross sectional analysis on the time series data indicates that the growth rate for the above aspects is more for Karnataka as compared to all

India figures. This obviously demonstrates that the MPWCs have better opportunities to expand in the state of Karnataka in the coming years with an intention of transforming the society.

The decomposition analysis would clearly explain the growth performance of MPWCs in Karnataka. For instance, between 1980-81 and 1989-90 the number of societies grew at the rate of 6.28 percent in India and for Karnataka this figure works out to as high as 21.5 percent. However, during the second reference period i.e., 1990-91 and 1999-2000, the figures for all India are 9.3 percent and for Karnataka they are 8.89 percent. But the overall growth performance between 1980-81 and 1999-2000 is found impressive for Karnataka (19.04 percent) as compared to all India (13.27) percent. Thus with regard to growth performance of MPWCs, it is impressive for the state as compared to India as a whole, thereby demonstrating the dimension that these societies are welcomed by the people in this part of the country and there is a revolutionizing inclusion of social economy.

Another aspect on the enrollment of members in these societies is found convincing in Karnataka as compared to the country as a whole. While the compound growth rates of membership for the first reference period (1980-81 and 1989-90) for India is 17.06 percent and for Karnataka it is 22.59 percent. Even for the second reference period (1990-91-2000) the corresponding figures are 5.12 and 7.83. The overall growth rates for the country and the state are estimated at 18.41 percent and 21.28 percent respectively. Thus for the entire study periods the growth of members in MPWCs is higher in the state as compared to all India figures (Fig - 1). This is perhaps more woman from similar systems like SHGs joining as members in the MPWCs in Karnataka, which is a welcome move in strengthening the womenfolk within the broader framework of achieving inclusive economic growth.



For effective functioning of the cooperatives, strong financial base is warranted. The functional efficiency of any cooperative organization depends on its financial viability and hence an examination of capital available and its growth would throw some light. During both the reference periods it was found that the growth of capital contributions by members is more in Karnataka as compared with the country as a whole. Nevertheless, whether the financial resources are efficiently deployed and returns are viable or it is just running the show is a multifarious issue that needs to be probed further.

During the first phase of the reference years between 1980-81 and 1989-90, share capital grew at the rate of little less than 22 percent for the country and the same figure for the state stood at impressive - around 38 percent. Similarly, during the second phase i.e., 1990-91 and 1999-2000, the corresponding figures are estimated at 8.95 percent and 17.45 percent respectively, thereby indicating that the state is ahead of the country. Also the growth rate for the entire reference periods (1980-81 and 1999-2000) for the country is less (27.97 percent) as compared to the state (32.14 percent) thus illustrating the financial soundness of the MPWCs.

The next dimension is the growth of the share capital contributions by the government. Here too the growth performance is better in the state as compared to the country as a whole. During the first reference period (1980-81 and 1989-90) while the growth of the government share capital for the country is around 10 percent and for the state it is three times higher (around 34 percent). However, during the subsequent reference period, the growth of government share capital improved marginally for the country as compared with the state, albeit the growth rate is more for the state. The overall growth of the government's share capital for the entire reference periods is estimated at 19.44 percent for the country and it is 28.63 percent for the state. Thus the performance of cooperatives in the MPWCs is relatively better in the state as compared with all India with regard to share capital.

The next contour of macro picture is the ratio analysis of membership and capital and hence the following is done to assimilate the relative performance of various aspects like members and share capital. This would not only explain the relative significance of each component at all India and regional (state) level with regard to MPWCs. Table 3 gives details of variations with regard to ratios of members and capital for all India and Karnataka from 1980-81 to 1999-2000. It is very interesting to note that figures for all India are better for members as low members are available per society at all India level as compared with Karnataka. However, in the state more number of members available per society indicating that more and more members joined in the MPWCs. At the same time it is essential to probe indepth for the effective participation of all the women members in the affairs including society meetings and associated development programs. Merely having more number of inactive members in the society will not contribute in any way to the prosperity of MPWCs and therefore research on the level and intensity of participation have to be studied. While the business aspects of MPWCs have to be explored it is equally important

to understand the viability of such cooperatives for sustaining in the society. At the same time apparently it shows that such members do have strong faith in the cooperative system for their development action in building up of the social economy with strong partnership.

**Table - 3: Distribution of members (numbers) and capital (rupees)**

Particulars	Years				
	80-81	85-86	89-90	95-96	99-00
<b>All India</b>					
1. Number of societies	1568	1353	4054	8171	8393
2. Ratio of members (in nos.)	47	66	125	85	100
3. Ratio of share capital (in Rs)	3080	5792	16567	21943	19113
4. Ratio of government share (Rs)	1930	2971	2775	NA	NA
5. Ratio of total working capital (in Rs)	7165	16400	218224	172329	138256
<b>State</b>					
1. Number of societies	57	97	402	690	995
2. Ratio of members (in nos.)	155	179	207	232	199
3. Ratio of share capital (in Rs)	5912	9619	19920	28852	44849
4. Ratio of government share (Rs)	2772	5495	7045	11490	16915
5. Ratio of total working capital (in Rs)	28947	50608	151259	152083	141131

Source: Same as tables 1 and 2.

Note: For Karnataka, data for the year 1980-81 was not available and hence next year data 1981-82 has been taken into account.

Another issue is the financial aspect of the cooperative societies and it is found that such resource is more per society in the state of Karnataka as compared with all India data for the study periods. This demonstrates the perspective that this state is financially strong with regard to MPWCs. For instance, for the initial reference period (1980-81) on an average one MPWCs had just Rs 3080 and it increased to Rs 19113 in the final reference year (1999-2000) for the country as a whole. But these figures are more for the state of Karnataka - the corresponding figures are Rs 5912 and Rs 44849. Also the government share capital available per society is high in Karnataka as compared with macro level - India - for all reference periods, indicating that the state is keen in financially strengthening such societies.

Similarly, with regard to total working capital per society is high for the state as compared to all India figures for the reference periods with an exception for the year 1995-96. Thus overall the state is stronger in terms of financial resource as compared with the country as a whole. From the foregoing discussions, it is evident that the financial position of MPWCs in the state of Karnataka is not only more but also outnumbered when compared to all India figures for the country as a whole. Again serious research is warranted for understanding the viable use of such financial resources and this is less important in the present context and there is a scope for further and detailed research across diverse conditions. Somewhat relevant and significant issue is to understand and examine the level of viable MPWCs in the country and in the state to infer the reasoning for better clarity. Hence the next issue is to examine the women cooperatives, which run viably and this is done for both for the country and for the state and data are furnished in table 4.

**Table - 4: Magnitude of viable MPWCs (in Percent) during 1980-81-1999-2000**

Particulars	Years				
	80-81	85-86	89-90	95-96	99-00
<b>All India</b>					
1. Total societies (Numbers)	1568	1353	4054	8171	8393
2. Profit making	18	18	62	NA	NA
3. Loss making	24	36	17	NA	NA
4. No loss/profit societies	58	46	22	NA	NA
<b>State</b>					
1. Total societies (Numbers)	57	97	402	690	995
2. Profit making	28	43	42	NA	52
3. Loss making	26	39	41	NA	47
4. No loss/profit societies	46	23	18	NA	1

Source: Same as table 3.

Note: Same as in table 3.

From the above table it may be observed that by and large maximum number of MPWCs make profit during the reference periods at all India and state level. However, the magnitude varies between these two. For instance, during the initial period of 1980-81, at macro level in the country 18 percent of the societies generated profit as compared to 28 percent for the state.

However, one has to bear in mind that at the country level 58 percent of the societies either made profit or incurred loss during the same period as above. This figure is 46 percent for Karnataka. The percentage of neutral MPWCs are decreasing considerably over the reference periods for all India as well as Karnataka. While the percentage of profit making MPWCs is increasing faster for the country and it is slow for the state. Perhaps the excessive political interference, lack of leadership and a host of other issues would have contributed for increase in loss making MPWCs. The foregoing discussion, thus reveals that the growth performance of MPWCs regarding the number of societies, membership and capital, is relatively better at the state level. Nevertheless, the growth of these at the country level is impressive, though less than the state's performance. It enables to conclude that overall the MPWCs are welcomed and expected to perform well in the country in general and the state in particular where the weaker sex (women) tend to transform the community. Thus the above macro level analysis clearly depicts that MPWCs in the state perform well on many counts as compared with the country as a whole. But it is essential to examine whether the MPWCs have made any change in the socio economy and hence the following section.

Before getting into the detailed field based analysis, it is worth to understand the sample district and villages in brief. Mysore district is located in the southern part of Karnataka and was selected for an in-depth analysis and this district has a long tradition of cooperative movement. This is one of the moderately developed districts in the state and due to long history of princely rule this part was imbued with traditional value and cultural system. Here the cooperative institutional framework is fairly developed and some innovative cooperatives including MPWCs and Banks successfully are being under functioning. Of 62 MPWCs in the district two MPWCs were randomly selected for this study. In both the societies of Duddagere and Kuragahally

MPWCs, 24 member households were selected covering 16 belonging to small and 8 belong to large farm categories. Also an equal number of 24 controlled households spreading 18 small and 6 large farm categories were also selected for comparative analysis (Table - 5). Here in these villages agrarian economy is the main stay and farmers cutting across their size class (land holdings) are keen in involving in the cooperative societies. However, comparative analysis has been made between members and non-members for clear understanding.

**Table - 5: Detailed Profile of the selected households**

Particulars	Members		Non-members	
	Small	Large	Small	Large
No. of households	16	8	18	6
Average family size	6.05	6.28	5.02	5.14
Literacy level in percent	33.25	55.74	28.89	47.83
Total population	61	28	62	20
Per household operated area in acres	4.22	7.46	4.40	8.28
Average asset holding in Rs	63632	188560	40450	174020

Source: Field Data.

An outline on the demographic details indicates that the member households are better in terms of literacy level and area operated. Similarly per household asset value also found to be more among the member households. This would possibly influence the income earning capacity and other social status in these households. Having more assets provided enough economic security to the members for availing institutional finance from the cooperative agencies. Most of the time while the members availed loan at lower rate of interest (12 percent) others had to take loan varying from 20 to 35 percent. This in turn viably helped the members to undertake agriculture and other income generating activities at household level. It is a Herculean task to avail credit from formal sources – due to more formalities and paper works – and hence cooperative credit is a viable and economic source for millions of farmers in India. The next aspect is the income generated from the selected households and such details are given in Table - 6.

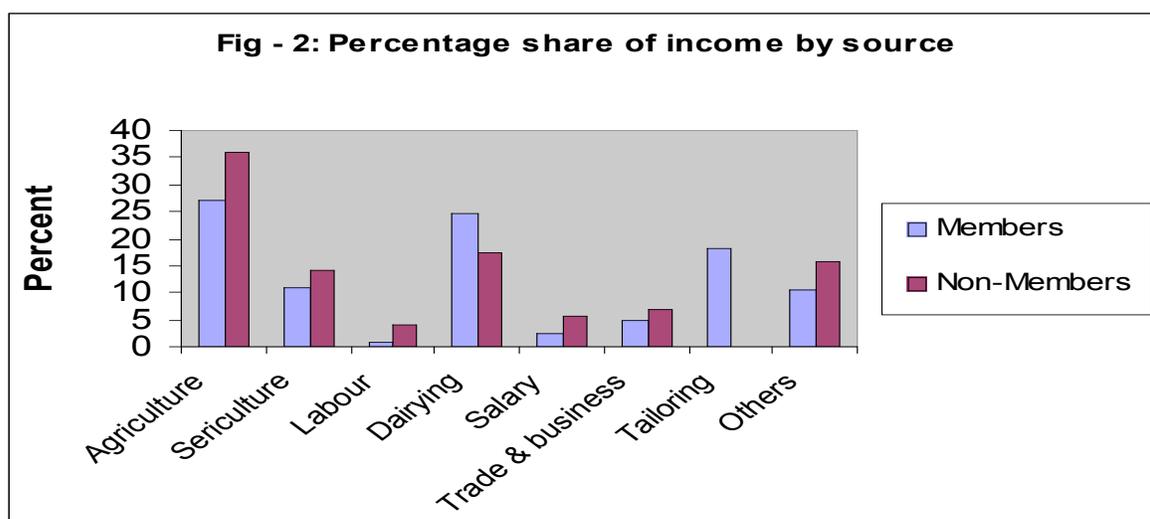
**Table - 6: Distribution of average household annual income (in Rupees)**

Sources	MPWCs members			Non-members		
	Small	Large	Average	Small	Large	Average
Agriculture crops	12830	31652	22241(27.2)	9604	22547	16076(36.0)
Sericulture	3986	13683	8835(10.8)	2657	9793	6225(14.0)
Agriculture labor	1680	-	840(1.0)	2940	840	1890(4.2)
Dairying	24820	15513	20167(24.6)	9308	6205	7757(17.4)
Salary	-	4000	2000(2.4)	-	5000	2500(5.6)
Trade and business	-	8260	41309(5.0)	-	6256	3128(7.0)
Tailoring	14600	15330	14965(18.3)	-	-	-
Others	6250	11220	8735(10.7)	5820	8240	7030(15.8)
Total Income	64166	99658	81912(100)	30329	58881	44605(100)

Source : As in table – 5.

Note: Numbers in parentheses indicate percentage to total household income  
Income from others include brokerage etc.,

The table-6 provides details on the gross annual income generated from different sources as revealed by the member and controlled households. The member households belong to MPWCs generated more annual income as compared to non-member households. On an average member households earned income of Rs 81912 as compared to Rs 44605 by the non-member category. A cross sectional analysis on sources of income reveals that member households earned more income from sources like field crops, dairying, tailoring, other sources, sericulture, trade and business, salary and wage laborers. On the other hand non-member category earned more income from agriculture, dairying, others, sericulture, trade and business, salary and wage laborers. However, per household income from different sources for the member and non-member categories clearly show that former group (member) of households received more from agriculture crops, sericulture, dairying, trade and business and others. In fact there is no income from tailoring source for the non-member category of households as this activity is carried out only from the members of MPWCs. By and large a comparative analysis across landholding categories, shows that households from member categories earned more income from all sources (Fig - 2), which depicts that membership in large size holdings does generate more income.



The foregoing discussion clearly reveals that member category earned more income from different income earning activities. This is due to the fact that MPWCs have given a platform for their members to understand new frontiers of developments in different economic activities. For instance, during the field survey it was pointed out by the cooperators, the members of MPWCs have exposure to new farm production technologies and avenues for proper product marketing. This on the one hand enabled to increase the production and productivity in agriculture and on the other enabled them to get remunerative price. It was observed that members do have knowledge of the farm-input subsidy, availability of quality inputs and experts in agriculture for technical knowledge and so on that have resulted in increasing the yield and income. Also the initiative of MPWCs to organize the members for training in tailoring has generated substantial income, which is completely absent in the controlled group. Income earned from tailoring has helped to invest in farm production process, which would have resulted in increasing farm income.

To an extent the women members empowered themselves in financial matters like investing on farm based assets and growing newer crops. Of course as reported by them, this was possible, as

their counterparts were cooperative and compassionate in their involvement in the activities of the cooperative societies. The next aspect is to examine the asset holdings of the selected households in the villages and accordingly data have been furnished in the table 7. It is to study the impact of asset position of households between two points of time. Most of the members joined in MPWCs in 1999 and hence it is decided to estimate the impact of asset holding at 1999 price level.

**Table - 7: Distribution of per household value of assets in rupees for two periods**

Particulars of Assets	1999		2005		Percentage Change in 2005 over 1999	
	Member	Non-member	Member	Non-member	Member	Non-member
Implements & machinery	4717	4833	6015	5335	27.52	10.39
Livestock	3875	3394	8800	6250	127.1	84.15
Residential buildings	27200	25500	59500	55500	118.75	117.65
Tractor, trade & commerce building	24000	8781	42781	32250	28.25	26.73
Consumer durable	3040	2603	9000	7900	196.05	203.50
<b>Total</b>	<b>63332</b>	<b>68579</b>	<b>126096</b>	<b>107235</b>	<b>99.10</b>	<b>56.37</b>

Source : Field Data.

At macro level, there is an improvement with regard to the possession of asset holding on both sets of households. But the increase in 2005 over 1999 is found more for the member households - almost doubled. Notably, non-member households consolidated their asset position with regard to consumer durable as compared with member households. In both sets of selected households, the change is less with regard to investing on agriculture implements and machinery thereby demonstrating the fact that capital formation is less.

The table – 7 also gives some interesting observations with regard to the distribution of assets in the selected households. The average asset value of the member household was Rs 63332 in the year 1999 and it doubled to Rs 126096 in the year 2005. However, the nonmember category

households also improved their asset position but in lesser magnitude. For instance such households had Rs 68579 worth of assets in 1999 and it increased to Rs 107235 in 2005. By and large the value of all types of assets increased over the period for both sets of households but the magnitude is more for member category. This is due to the reason that such member households obtained more income from cooperative society based activities like dairying and tailoring. It enables to conclude an important fact that albeit the asset value of both categories increased, members of MPWCs improved their asset position between these periods. Thus the MPWC framework has provided a platform for weaker section to economically empower themselves in the race of economic empowerment.

The asset value of livestock, residential buildings, tractors, trade and commercial buildings and consumer durable found more from member category as compared to non-member category during the first period. During the subsequent reference period of 2005, member categories possessed more assets as compared with non-member category of all sources. This clearly demonstrates that the members could substantially improve the asset position, perhaps from the income generated through the cooperative system of social-economy.

#### **IV. Conclusion and Suggestions:**

Thus the foregoing macro and microanalysis and discussion brought out a number of interesting and useful insights of the MPWCs both at macro and micro levels. Macro level analysis shows that there is an impressive performance of MPWCs in India in general and Karnataka in particular. Various aspects like working capital do perform well in the state as compared to India. Perhaps this is due to proactive policy adoption of the state government to give new twist to the women cooperatives for women empowerment and the members have responded quickly.

This also reveals an important feature that women are keen to strengthen themselves for building of social economy in the free market economic system at a time the male domination is prevalent.

The micro level analysis on the primary data reveals that members of MPWC generate more income and employment than their counterparts. The asset holding is stronger in the member households as compared to non-member category. Also, the members with their exposure (personal contacts) to modern farm techniques and technology significantly brought down the input cost in agriculture, which in turn resulted in increasing net income from cultivation. Additional income earned from activities like tailoring and dairying in MPWCs helped the members to have sustained and better standard of living. The members engaged themselves in production and marketing of tailoring and dairying activities that have provided substantial employment round the year. Field data and analysis also reveal that members have considerably empowered with the economic decisions in the household activities and in turn have made an impact on their neighborhood as well. Also women demonstrated that they have leadership quality for organizational and professional dimensions of cooperatives that may be taken as model for other cooperatives elsewhere especially in resource poor regions.

Undeniably there is an urgent need to strengthen the social economy with strong partnership of women through an institutional mechanism for attaining overall and sustained economic development. Thus it is evident from the analysis that participation in the MPWCs has improved the economic conditions of the members, which can be emulated in needy and poor resource endowed areas. Nonetheless, there is a scope for further improvement of the efficiency of MPWC and accordingly proper and intensive training on various issues covering the business

affairs of the societies and employment-oriented programs could be initiated. Also the control groups for improving their economic development, through intensive campaign shall be initiated to join hands with MPWC. There were a few operational difficulties like poor marketing, non-availability of subsidized inputs and poor realization of remunerative price, encountered by the women members have to be looked into by the policy makers for effective and sustained functioning and management of MPWC in India. Efforts may be made by the policy makers to collaborate MPWCs with noted NGOs in the respective locality for providing training for product making, value addition and above all for marketing. Committed SHGs managed exclusively by women may be encouraged to work with MPWCs to increase the economic efficiency more on transparent manner to transform the society, economy and polity in the changing world order to realize the social economy.

#### **References:**

Brett, E.A. **Voluntary Agencies as Development Organizations: Theorizing the Problem of Efficiency and Accountability**, *Development and Change*, 1993, 24(2): 269-303.

Chandrashekara, B.S. **Critical Analysis on the Working of Women Multipurpose Cooperative Societies in Karnataka**, *Ph.D., Thesis* submitted to the University of Mysore, Mysore, 2002, (Unpublished).

Dongre, Y. **Cooperatives at Cross Roads**, *The Hindu*, October 11<sup>th</sup>, 2004, Chennai.

GOK, **Cooperative Movement at a Glance in Karnataka**, *The Office of the Registrar of Cooperatives*, Bangalore, 2000.

Kamala, **The Role of Women and Youth in Cooperatives**, *The Cooperator*, 1987, XXIV(21):627-35.

Muttalib, M.A. **Voluntarism and Development - Theoretical Perspectives**, *The Indian Journal of Public Administration*, 1987, XXIII(3):399-419.

NABARD, **Cooperative Movement in India**, *National Bank for Agriculture and Rural Development*, Mumbai, 1995.

NCUI, **Cooperative Movement in India - A Profile**, *National Cooperative Union of India*, New Delhi, 2001.

Rajendran, S. **Non-governmental Organizations and Sustainable Agriculture Development in India**, paper presented at the *Sixth ISTR International Conference, held at Ryerson University, Toronto, Canada* from 11<sup>th</sup> to 14<sup>th</sup> July, 2004.

Rajendran, S. **Perspectives on the Contours of Multipurpose Women Cooperatives in India**, paper presented at the *Third Asia Pacific Cooperative Research Conference* in Chiangmai, Thailand on 30 November, 2004a.

Ramanujam, K.M. **Women Cooperatives and Economic Development**, *Kurukshetra*, 1995, XLIV(2):11-4.

Sethi, H. **Some Notes on Micro-Struggles: NGOs and the State**, *Asian Exchange Arena Bulletin*, 1993, 9(1&2).

UNDP, Human Development Report, New Delhi, 1993.