

Rural Development Strategy: The Experience of India

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A review of R.C. Mascarenhas, *A Strategy for Rural Development* (New Delhi/Newbury Park London: Sage Publications, 1988), 295 pages.

The dependence of a large rural population on agriculture and related occupations characterizes India, like any other Third World countries. To develop the rural sector, agrarian reform, community development, intensive agricultural development, and asset creating rural development programs have been tried in India but of course, no approach or mix of these approaches can be said to be a "sure-fire" formula of success.

The book focusses on the dairy cooperative societies in Kaira district, Gujarat whose success has been known as the "Anand-type" dairy cooperatives. These societies with strong and committed leadership arose as protest to the monopoly procurement and are farmer-managed assisted by professionals committed to the cooperative principle of equal participation.

The success of this type of dairy cooperation led to the establishment of the National Dairy Development Board (NDDB) in 1964. In 1970, NDDB began "Project Flood," which used milk powder and butter oil under the World Food Program. The income from the sale of the liquid milk was invested in dairy development in the rural areas. In 1978, the program was expanded and became Operation Flood II (OF II).

The process of creating the Anand-type milk cooperatives is the major theme of the book. Thus, the objectives of the study are:

1. To understand the role of dairying as part of the rural development strategy in India;
2. To examine the dairy cooperative structure developed in Anand, Gujarat state;
3. To understand the process of extending such cooperatives to areas under OF I and II and;
4. To evaluate the role of the NDDB in the development and implementation of a national dairy development program.

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The book has nine chapters. The first part covers the management of rural development and the development of animal husbandry in India. The second part covers the Anand-type dairy cooperative society, organizational strategy during development, dairy development under Operation Flood I and II. The last part covers the development of the dairy industry in Karnata, O and M of dairy cooperative societies in Karnata, development through decentralization and participation. The final chapter integrates the study with the summary of problems associated with expanding the Anand model of cooperatives and the lessons of expanding a small scale rural development project to a large scale project.

Chapter 4, "Organizational Strategy for Dairy Development," provides interesting insights into the operation of the NDDB. The NDDB management sought to be independent from the government's regular financial controls, and thus established a separate government company in 1971. The new company, the Indian Dairy Corporation (IDC), handles all transactions dealing with the "receipt and sale of donated commodities and the disbursement of such funds to various state governments under OF I and II."

A lesson in the use of persuasion, bargaining and negotiation is provided by the NDDB/IDC in its relationship with the implementing state agencies. The NDDB group has a collaborative role with its personnel being in the boards of state level agencies, the state personnel selection committees, the training of personnel and the spearhead or advance teams. Incentives support such a collaborative set-up. The farmer or producer-oriented rural development strategy in producing a single product is an innovation.

The four identified enemies of the NDDB are the bureaucrats, politicians, traders and multinationals. Thus, how could the program succeed in the face of these enemies? The key lies in the underlying philosophy of Anand-type cooperatives of farmer participation through "empowerment" (p. 106). The spearhead teams involved in the initial stages of OF I guided, educated, advised the farmers and gained their confidence and respect.

As an organization, the success of NDDB is ascribed to three factors: community management, social learning, and strategic management, in spite of the bureaucrats, politicians, traders and multinationals working at cross purposes with NDDB.

The value of the book lies in presenting the Indian managerial experience of how dairy developed from two village dairy cooperatives, the Anand Milk Union (AMUL) to Operation Flood I in 1971 and Operation Flood II in 1979. What began in 1946 with two primary milk cooperative societies is now the Kaira District Milk Producers' Union with 880 societies producing 800,000 liters of milk a day. The author has succeeded in drawing the lessons

in the process, which "... has stimulated rural development by allowing direct participation of the target population in the management of various components of the program and thus in the process of development". By integrating appropriate technology with the human desire to grow, cooperative dairying has drawn the rural poor into the fold of modernization and thereby provided opportunities for a better standard of living. Small wonder then that a system which evolved out of a genuine need is today transforming the rural scene towards a brighter future (p. 277).

If the reader is not interested in the details of the historical development of the Indian dairy industry, he only needs to read Chapter 4, "Organizational Strategy for Dairy Development," Chapter 7, "Organizational and Management of Dairy Cooperatives in Karnataka," Chapter 8, "Development through Decentralization and Participation," and Chapter 9, "Learning to Organize" to appreciate the factors that made the Indian dairy cooperatives a success. The author has accomplished his aims stated at the beginning of the study in these four chapters: The other chapters provide additional information which may be of interest to the reader.

This book will be an excellent reference for agencies involved in rural developmental work, including the Department of Agriculture, the Bureau of Cooperatives Development, the Philippine Dairy Corporation, the National Economic and Development Authority, and other institutions involved in rural development.

The factors which made the AMUL a success may not be present in the Philippines. What is important is that attempts to duplicate these factors, namely, resolve to overcome crisis, effective leadership, commitment of professionals to work for farmers, and the active participation of local people (p. 88) be made at all cost if the Philippines is ever to be self-sufficient in its dairy needs. Such a quest will face serious opposition from the bureaucrats, politicians, traders and multinationals in their own unique ways. It is only to be hoped that a firm resolve of an effective leadership, supported by committed professionals and by active local people, will make a headway in dairy development, and, ultimately, in rural development.