

**RETHINKING COLLECTIVITIES:
Group farming, community forestry and strategic
alliances**

© Bina Agarwal
Professor of Economics,
Institute of Economic Growth, University of Delhi, India

Lecture delivered on the occasion of the award of the degree of Doctor Honoris Causa to Bina Agarwal at the Lustrum Ceremony of the 55th Anniversary of the Institute of Social Studies, The Hague, The Netherlands, 18 October 2007.

I am deeply honored to receive this honorary doctorate. I last donned this cap and gown in 2006 when an ISS doctoral student whom I had co-supervised with Prof. Ben White was getting her degree. Little did I realize then, that I would myself be receiving an ISS doctorate – although unlike my student I can claim no hard work for it! I sincerely thank ISS for this wonderful, unexpected honor, on this historic occasion, in this splendid Hall of Knights.

During my long association with the ISS, I have been especially drawn by the Institute's intellectual vibrancy and critical thinking on issues close to my own heart, such as poverty, gender inequality, rural development, and the environment. Today, these issues require new approaches, crossing disciplinary boundaries, and intellectual pluralism – all of which ISS is uniquely placed to foster.

On this occasion, I want to revisit an old idea from a fresh perspective - the idea of production collectivities and their central importance in enabling the poor to become agents of their own empowerment.

In the 1980s, when Bangladeshi women formed work groups with support from the NGO, BRAC, and began working outside their homes, many for the first time, they said: ‘The most important thing I learned ... is that we are strong as a group. We can withstand pressure but alone we are nothing. A house cannot stand on one post. Put a post in each corner and it is strong!’¹

Indeed, grassroots action across the globe demonstrates that collectivities of the poor can improve their well-being in ways that individual approaches cannot - by enhancing their incomes, their self-respect, their ability to challenge oppressive social norms, and their bargaining power in markets, at home and with the state.

Many developing countries today - India, China, Brazil, and others - are seeing high economic growth, but also widening inequality, persisting poverty, and a declining ecology and moral order. For the poor to gain, we need a new approach to development - one that does not place the individual at the center of all analysis and policy; and which displays low tolerance for poverty, inequality and environmental destruction.

The poor, especially in market economies, need the strength that collectivities can offer for their economic, social and political advancement. But these collectivities should provide the poor with real resources, not just credit; they should reach beyond micro-enterprises through horizontal and vertical alliances; and be able to challenge hierarchies and not be embedded in them.

In the past few decades we see two opposing trends. A growing attack on the idea of production collectivities on the one hand, and the emergence of a diverse civil society and micro-collectivities on the other. Production collectivities, one of the hallmarks of socialism, have come under increasing attack both from practicing socialists and free market theorists. Socialism's history of forced collectivization, especially under the USSR, with its inefficiencies and human costs, did little to endear concepts such as common property and collective functioning. Equally, most experiments with farmer cooperatives in non-socialist societies, promoted without due recognition of socio-economic inequalities among farming communities, had little success as production units, or as a means of empowering the poor. In the minds of most people, such failures of implementation regrettably discredited even the idea of production collectivities.

Increasingly in both socialist and other countries, economic reforms have strengthened individual property rights. In China, for example, a key element in the mid-1980s reforms was the shift from community-based use rights in land and communal farming to mostly household-based use rights and family cultivation. These shifts represented a pessimism about collective functioning, especially in efficiency terms.

A similar pessimism pervaded economic theory, be it Mancur Olson's book on *The Logic of Collective Action*, Garrett Hardin's article on "the tragedy of the commons", or game theory. Rational human beings, driven by self-interest, it was argued, will tend to free ride, and assuming that everyone thinks this way, none will have the incentive to produce the collective good, even if it were in everyone's interest to do so. Only coercion can lead people to act collectively. Is this pessimism warranted?

Recent developments, theoretical and empirical, suggest otherwise. In theory there is growing recognition even by economists that many factors can help cooperation, such as, repeated interactions that promote assurance; trust and reciprocity; peer pressure, especially in small groups, which can reign in free riders; and shared social and moral norms which help transcend narrow self-interest. In practice, there is recognition of a long history of group functioning – traditional labour exchange systems, social movements, and civil society formations. Indeed today we are seeing the emergence of numerous collectivities, including of the poor.

But it matters a great deal what kind of collectivities we foster. In recent years, the fastest spreading collectivities have been micro-credit groups, inspired especially by Bangladesh's Grameen Bank. These have become the panacea for poverty alleviation within mainstream development practice. But the impact of micro-finance institutions on poverty has been limited, and they have done rather little toward creating productive assets in the hands of the poor or challenging structural inequalities.

Three Types of Collectivities

To be transformative, I believe collectivities of the poor need to go beyond the idea of groups simply as instrumental and apolitical social capital. They need to encompass at least four features:

- They should enhance poor people's control over productive resources;
- They should include the most disadvantaged, namely, poor women;
- They should reach beyond the micro and beyond the local; and

- They should be able to challenge social and economic hierarchy and so help transform social relations.

I will focus on three types of Indian collectivities which involve the poor and the deprived, to see what lessons they hold on these counts. My core examples are women's group farming and community forestry groups. These are by no means the only types of production collectivities in the region – I could name many other rural and urban groups. But the two I have chosen have created new systems of property rights. Both relate to major resources – one to agricultural land, the other to forests – access to which is key to the well-being of millions. And both have transformative potential. They also demonstrate the contrast in outcomes depending on whether collectivities challenge social hierarchies or ignore them. I then induct the example of a third type of collectivity – women's self-help groups – as a potential link for strengthening the other two and transforming itself.

Group Cultivation

Consider first women's group farming. A vast body of South Asia's poor remain dependent on household-based small-scale agriculture. Today we are also seeing a feminization of agriculture, as more men than women move to non-farm work. In India for instance, 53% of male workers, compared with 75% of women workers remain in agriculture, most cultivating under one hectare. Even as the face of the farmer becomes increasingly female, few women have direct access to the farmer's main resource – agricultural land. Families transfer land mostly to male heirs, the state transfers land largely to male household heads, and markets favour men over women, since men have more financial resources. Also, individual women cultivating small plots face resource constraints for buying inputs, and scale diseconomies in capital investment. However, if we set aside the assumption that farms are best cultivated only on

a family basis, there is an institutional solution to these problems, namely group farming by women.

There are several success stories of landless women doing exactly that, with support from local NGOs. In Andhra Pradesh in South India, for example, with the support of the Deccan Development Society (DDS), poor, low-caste women have been leasing in or purchasing land in groups, through various government credit schemes, and practicing group farming for subsistence. I have visited their programme and talked with the women farmers on several occasions.

The group leasing program, started in 1989, now involves several hundred women, cultivating in groups of 5 to 15, across 52 villages. The groups are financially viable. The harvest is shared equally by the members. Many landlords now want to lease their land to these groups, confident that they, unlike individual leasers, will not default. Similarly, many low-caste landless women's groups have jointly purchased land, again using subsidized government credit. Catalyzed by DDS, women form a group, apply for the loan and buy land which is divided equally among the members and registered in individual names. Each woman owns one acre but pools the land for farming with other women, in groups of 8 to 10. Today, poor women's groups in 14 villages are cultivating several hundred acres of purchased land. On both leased and purchased land, women practice organic rain-fed farming and multi-cropping to reduce the risk of crop failure and provide a balanced diet.

Collective cultivation allows women flexible work time, cost sharing, and the pooling of differential skills. The women travel to town to meet government officials, buy inputs, and market the produce. As they affirmed to me: 'Collective cultivation is better; both the labour and the produce is shared. It creates

a better feeling. It builds solidarity.’² Free riding is contained by penalizing work-shirkers in women’s weekly meetings.

As a result, farm productivity and family food security have increased. Children’s health care and education have improved. Women report less domestic violence. They now bargain for higher wages when they need extra work – since they now have a choice they refuse low paid work. And they get more community respect. As some women said: ‘They [the high caste people] used to call us with the caste name which was very derogatory... Now they put the motherly (respectful) suffix, and give us equal seats [in public gatherings]. It is only because we have an organization that they [the landlords] won’t touch us – that they are scared to cross us’.³ Local government officials also give them priority over individual men.

This collectivity has four important features. Three of these – a gender-progressive NGO, a group approach, and a focus on landless women – are also found in many other grassroots initiatives. But the fourth feature – the focus on land and group farming – is rare. Also, these collectivities allow women to access land through the market – access which individual women seldom have. And pooling land for cultivation helps overcome problems of small farm size and fragmentation. Indeed group farming offers potential benefits not only for landless women but also for women who own or have customary rights over small plots.

Unlike forced socialist collectivization, these initiatives are voluntary in nature. And unlike many non-socialist cooperatives, tried in India and elsewhere, which involved both big and small farmers, these groups are constituted only of the poor and of women. That they are all women’s groups is important in that it gives women independent access to assets, control over income, self-confidence, and social support which they

would not easily gain in cooperative, family-based farming. Although small in scale, the groups are an imaginative and effective way of creating collective property and dignified livelihoods for women and their families. Most importantly, they challenge hierarchies of caste and gender.

Women's farming groups can also be found in some other Indian states and in Bangladesh. The downside is that they are small in scale (a point to which I will return).

Community forest management

My second example of resource-related collectivities is of communities managing degraded government forests. In most developing countries, rural communities use forests for basic needs such as firewood, fodder, small timber, etc. Especially for the poor and women who own little private land, they have been critical for survival. Forests are also carbon sinks of crucial importance for decreasing global warming. In fact, over fifty countries are today working with local communities to better protect their forests.

In India today there are 84,000 community forestry groups (CFGs) involving over 8 million rural families protecting government forests in a co-management arrangement. States allow the villagers to make rules for extracting non-timber forest products and promise them a share of the mature timber when harvested. Typically the groups begin by banning forest entry to humans and animals. Some later allow restricted extraction of forest products.

In terms of forest regeneration, most CFGs have done well. India's forest cover increased by 3.6 million hectares between 1991 and 2001, a reversal of the earlier, alarming, downward trend. But from women's perspective, the picture is less rosy. Critically dependent on local forests for firewood, the initial ban on entry caused a manifold increase in poor women's fire-

wood collection time. It was expected that, over time, as biomass availability increased the situation would ease and CFGs would allow collection. However, most groups continue with strong restrictions on extraction. As some poor women I interviewed said: 'We go in the morning and only return in the evening. Since the end of the rainy season, we have been going every day... Earlier too there was a shortage of firewood, but not as acute.' Substitute fuels, such as cropwaste, twigs and wood varieties unsuitable for fuel, increase cooking time and smoke emission, with adverse health effects for women and children, due to indoor air pollution.

Why isn't more firewood extracted? Apart from monitoring costs and the social invisibility of women's work time, an important factor is women's poor representation in CFG decision-making. In formal terms, CFG membership is open to all village households and the groups are based on modern ideas of equal citizenship rights, irrespective of class, caste or gender. In practice, in most CFGs, women constitute less than 10% of the decision-making bodies. Landless women are even less visible. The rules made for extracting forest products are thus overly strict.

Would women's better representation make a difference? My recent research, based on primary data collected for India and Nepal shows that indeed it would. Groups which have more women in their decision-making bodies – in particular if a quarter to a third of their executive committee is female – there is better forest regeneration, and less firewood and fodder shortage. Most notably, where groups have a critical mass of landless women on the executive committee, not only are they more likely to attend meetings and speak up at them, but they are also more able to change the rules to allow women greater access to firewood and fodder. The downside is that

few committees have a critical mass of women, and especially of landless women.

Forest collectivities excellently demonstrate both the potential for cooperation in diverse contexts, and its limits if traditional hierarchies, such as social norms that exclude women from public decision-making, go unchallenged. In theory, these groups are based on ideas of social equality. In practice they remain embedded within unequal social systems. Much of social capital and collective action literature which celebrates traditional norms as providing the cement for cooperation misses this gendered dark side of norms. And as recent critics of social capital point out, it also misses the economic and social hierarchies within which many networks that constitute social capital operate.

Both the collectivities I have described represent institutional innovations that have created new forms of collective property rights within a market economy. Both seek to involve the poor: all of women's farming groups and half the forestry groups are constituted of the poor. At the same time, the contrast between the groups is notable: group farming by poor low-caste women explicitly challenges social, especially gender, hierarchies, while forestry groups often further embed them. Group farming requires intensive NGO support in the beginning and is still geographically confined. Community forestry is geographically widespread but mostly gender exclusionary in practice. In other words, the form collectivities take, and the principals on which they are founded, are key to whether they help or hinder the disadvantaged.

Can the collectivities I have discussed overcome their limitations and broaden their reach and inclusiveness? Potentially

yes, by building lateral and vertical alliances with other collectivities.

Lateral alliances with self-help groups

First, lateral alliances can help overcome the scale limitations of women's farming groups and the inclusiveness limitations of forestry groups. In particular I have in mind a third type of collectivity – village self-help groups (SHGs).

There are around 2.2 million SHGs in India, almost all constituted of women. Although most SHGs begin as savings and credit groups, they differ from micro-credit groups in important ways. Micro-credit groups are formed basically around credit, often involve women with no proven record of working together, loans go to individual women, and there is usually little focus on social advocacy. Many SHGs by contrast were catalysed by NGOs for social empowerment rather than simply credit. Even those focused on credit select their own members, put in their own savings and need a proven record of working together before getting bank loans. Loans, if taken, go to the whole group which then decides its use. These features lay the ground for SHGs to take up group enterprises as well as advocacy work. Recent surveys suggest that about half the SHGs are formed of poor women.

Many have become pressure groups, lobbying village councils to improve water supply, education, healthcare and roads. Some also help very poor women directly, for example by purchasing daily items wholesale at low cost and giving access to poor women to tide them over income troughs. And especially in South India SHGs have empowered women by their sheer strength of numbers. As some groups told me: 'when we turn up a thousand strong at a local fair, we don't have to say anything. Our strength is there for all to see'. The downside is that

SHGs do not always reach the poorest. Their being involved mainly in individual micro-enterprises is also a limitation.

So here we have three significant types of collectivities – women’s group farming, community forestry groups and SHGs. Each has unique features as well as weaknesses. How do we overcome the latter? I believe the answer lies in strategic linkages between the three, that is between SHGs and CFGs on the one hand and between SHGs and women group farmers on the other. This can empower poor women in all three institutions.

For instance, some NGOs encourage SHG women to attend forestry group meetings, thus creating a critical mass of female presence, and so influencing forestry decisions in women’s interest. Similarly, some SHGs are collectively cultivating fish or tea. If they took up group farming it could expand the scale and geographic reach of women’s farming and in turn move SHGs out of the narrow confines of individual activities toward economically stronger and more poor-inclusive group enterprises. *In short, strategic linkages between diverse collectivities of the poor with different strengths could transform each.*

Vertical alliances – federations

Second, collectivities of the poor need vertical alliances. Some forestry groups and SHGs have formed federations. But, as with groups so with their federations much depends on the principles on which they are built. Used simply as a means of ‘scaling up,’ most federations fail to realize their transformative potential.

In Nepal, however, we have a unique example of a national level federation of community forest groups (FECOFUN). Formed in 1995, FECOFUN links CFGs across Nepal through elected representatives. It is the only federation of its kind

which is national in scope, holds regular elections, and mandates that 50% of its members and office bearers be women. Influenced by this, village groups have also begun inducting women as office bearers. FECOFUN has in fact become a social movement which participated in Nepal's democracy movement.

Of course, FECOFUN still has a way to go in terms of social inclusiveness. But its scale, democratic structure and efforts at gender equality are not just about scaling up but also about empowerment, and hold lessons for other regions.

Toward a new moral order?

I now come to my final point. I have argued that the poor need the strength that production collectivities offer, for enhancing their socio-economic well-being and voice, and as a protection against free market individualism. But to deal with persistent inequality we need more. We need a new ethical code or moral order, such as one which explicitly challenges inequalities and exclusions, which upholds justice over personal gain, which recognizes the needs of future generations and not merely those of present generations, and which also values non-material well-being and not just material well-being.

In fact, the glimmerings of such a moral order already exist, in at least three streams of ideas:

- First, in the idea of equal citizenship, irrespective of race, caste, or gender, enshrined in numerous Constitutions across the globe.
- Second, in the idea that human capabilities and freedoms should be the basis for evaluating human progress.
- Third, in the idea of environmental sustainability which highlights global interdependence, responsibility toward