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COOPERATION, COOPERATIVISM AND COOPERATIVES IN RURAL PRODUCTION, WEST BENGAL¹

"Man has accepted the truth of cooperation socially, but not economically." (Rabindranath Tagore)

Abstract

In the search for people-centred development strategies, the potential of grassroots production cooperatives in India's agrarian economy has tended to be dismissed or underestimated due to a rejection of the possibility of collective action transcending individualistic strategies and the poor reputation rural cooperatives earned in India in the 1950s. Based upon research financed by the Danish International Development Agency (DANIDA), this paper is an attempt to reassess that potential.

Introduction

This paper is based upon recent fieldwork in West Bengal for a research project entitled 'Development and the Rural Poor in India. A Study of the Potential for Grassroots Co-Operatives in Rural Production'. The paper begins with a discussion of the cooperative potential in West Bengal, in terms of both development and policy. This is approached through an examination of the 'room for manoeuvre' available for policy formulation and implementation in the state and the 'room for manoeuvre' available to local social groups permitting a degree of flexibility in perceiving and responding to the particular social and economic problems that they face. Next I examine the main explanations for co-operative behaviour between individuals and I argue that the focus on 'grassroots' and 'rural production' requires the acceptance of 'social cooperation' i.e. cooperatives based upon social groups with similar entitlements based upon ownership (land, labour etc.) and upon their social and economic ability to realise the value of their entitlement (caste, gender, ethnicity etc.). The paper concludes with a brief summary of some of the findings from an initial assessment of the fieldwork data.

There is also a sub-theme to the paper and the research. Currently development theory and practice is in a state of considerable flux with the macro-analyses rooted in the traditional visions of political economy (modernization and dependency perspectives) challenged both by current events and by the theoretical questions (re-)posed by the emergence of post-modernists, post-structuralists and others. The focus upon grassroots cooperatives in rural production is an attempt to locate forms

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of social development in which individuals as actors are illustrating not just the presence of a 'room for manoeuvre', but an ability to actively conceive of, and intervene in, the process of social and economic development that this 'room for manoeuvre' permits. In other words, alternative paths for development in which the support and the participation of the individuals involved is a prerequisite.²

This focus upon individuals requires two conceptual clarifications: first, that while giving agency to people, it is a limited agency within a circumscribed social setting. This setting or arena is itself shaped both by the structures of the surrounding economic and social formation with all the historical legacies their development has left and by the individuals' actions, those demanded of them (e.g. as women) and those emanating from their particular view of the world (e.g. as a woman).

Secondly, the focus is not at the expense of the state, it is not part of an ideological project demanding the 'retreat of the state'. The importance of state intervention in constructing social development remains, but it is to add 'the people' to the development equation as more active and more instrumental participants in that process. In this way the centrality of the state's role in creating the 'new socialist individual' or the 'capitalist entrepreneur' is ended. The insufficiency of viewing the state as either the political apparatus reflecting and facilitating the 'logic of capital' or as an institution varying from the patrimonial to the rational and opposing or pursuing modernity is removed. Both views are too instrumentalist.

Instead, just as there can be a significant 'room for manoeuvre' for the individual, so can there also be 'room for manoeuvre', albeit of a different nature, around and within the state, not least in the formulation and implementation of development policy. This 'room for manoeuvre' lies in the fact that the state is itself a site of contest for competing social groups, class fractions, interest groups etc., and its institutions and officials often possess a high degree of autonomy with respect to the more powerful groups in the economy and society.³ The state can also be institutionally fragmented, not least federally, further loosening the immediacy of demands emanating from external dominant groups (national or transnational industry, the military, a dominant ethnic group, etc) as well as demands from within the different institutional structures of the state itself. The consequence is that policy is contested and alternatives often available or possible. At particular political conjunctures, this 'room for manoeuvre' enables the possibility that state intervention can change from development imposition to development facilitation with the subtle but significant shifts in power and agency that this implies. The state of West Bengal in the Indian Union is one such instance it is argued here.

2 The concept of a 'room to manoeuvre' with reference to the state is discussed in Clay, E. J. & Schaffer, B. B. (1984). The more general discussion of agency draws in particular on the attempt by Long, N. (1990, 1991) to reconcile an actor-oriented analysis with structuralism, and the notion of 'habitus' in the work of Bourdieu, P. (1977).

3 Hamza Alavi's concept of the post-colonial state is based upon the argument that the state in Pakistan and Bangladesh possesses a relative autonomy from the three dominant classes, the metropolitan bourgeoisie, national bourgeoisie and feudal landowners. Alavi, H. (1977). It is also an argument that shows the need to study the specific state in order to understand the basis for, and extent of, any 'room for manoeuvre'. Likewise, the specific (local) social formation must be similarly studied to assess the 'room for manoeuvre' for the individual.

'Room for manoeuvre' and the case for change

With respect to its recent agrarian development West Bengal is not a classic 'green revolution state' as it is primarily a rice-producing area relying mainly on non-perennial irrigation — monsoon rains plus monsoon-based rivers, canals and tanks. However, it nevertheless can be described as a state which has substantially benefited from the green revolution in so far as developments in those districts lying on the gangetic plain have resulted in an increase of total foodgrain production on the basis of the new technology primarily in the form of HYV seeds, fertilizers and insecticides, varying degrees of mechanisation (irrigation pumps, tractors etc.), and some development of alternative secondary irrigation to the older canals in the form of deep- and mini-tubewells.

The interesting point about this development is that because of the combination of the political intervention of the Left Front Government (LFG) and the economic consequences of a relatively high degree of land fragmentation along with the tenurial relations present in the state (sharecropping and contract leasing of land locally known as 'thika'), the increased production has been achieved principally through improved small farmers' productivity. The green revolution has not therefore brought about the polarisation of landownership, wealth etc. that many critics originally forecasted and have found to varying degrees elsewhere.⁴ Instead, marginal cultivators and sharecroppers have adopted the new techniques alongside their more affluent co-cultivators. Furthermore agricultural labourers have in most areas experienced a relative increase in wages as well as an absolute increase in employment due to double and even triple cropping. The rural economy in West Bengal can therefore be characterised as predominantly small producer-based in which capitalist relations dominate in so far as production is primarily for the market, wage labour is widespread, and even the poorer cultivators demonstrate a willingness to invest available capital in the production process. But many mechanisms for the extra-economic extraction of surplus value are also present, including usury, tenurial relations (particularly sharecropping), and tied labour. Overlaying these are relations of gender, caste, ethnicity and religion that fragment and further distort the distribution and realization of entitlements within the economy.⁵

At the very least these extra-economic relations and the social relations within which they are located distort the workings of the different markets — credit, labour, public and political services, water and other agricultural inputs etc. — that the villagers must enter and which seriously affect the different socio-economic groups' abilities to participate and to negotiate their receipt of services, share of development aid, rewards for labour, returns to sharecropping, terms for land lease, access to water etc. Such relations hinder not only the development of the productive base of the rural economy, they greatly determine its distributive nature as well.

Neither of the traditional extremes of far greater state control and regulation or of free market capitalism can be seen to be possible or desirable as part of any attempt to bring about a further improvement in production or distribution of its benefits. But

⁴ See Byres, T. (1977) and the general review of literature in Harriss, J. (1991).

⁵ A. Sen's concept of entitlement, both with respect to ownership and exchange, is used in the argument as it helps to avoid the tendency towards economism in the term 'relationship to the means of production'. See Sen, A. (1981).

in the middle ground lies the possibility of policy action that begins with the recognition of social, cultural and economic practices affecting specific social groups' control over the entitlements they possess and their ability to realize these through exchange, and proceeds to facilitate changes in that situation. The principal types of entitlements in question are land, labour, production, savings, assets such as houses, jewellery etc. Their realization in a market-based economy is in the form of the payment to agricultural labourers, the proportion of production retained by sharecroppers, the price of land leased to marginal and landless cultivators, the price paid to rice growers, the quantity, source and cost of credit made available to marginal cultivators, the rent sought for the provision of development aid or government services to the poor etc.

If the ownership and realization of these entitlements in a market economy are secured and exchanged within a formal legal framework, in practice they are frequently affected at the local level, even determined, by social relations of gender, caste, ethnicity, religion etc. The argument put forward here is that policies designed to facilitate the loosening of these social relations and facilitating first, an improvement in the ability of women, low and scheduled castes, tribals etc. to realize their existing entitlements, and secondly, an expansion of their entitlements could enlarge such social groups' 'room for manoeuvre'. It would enable a greater range of possible development strategies at the local level.

The possibility that the politics of state intervention in West Bengal could permit such policy changes has already been alluded to. The history and politics of the LFG has been described elsewhere.⁶ Of significance to this paper is that the LFG is led by the Communist Party of India (Marxist) [CPI(M)] with a clearly stated ideological commitment to improve the condition of the poor and in the long term to construct a socialist people's democracy. It was elected in 1977 with the political upsurge stemming from a disillusionment with Indira Gandhi nationally and the corrupt and reactionary rule of Congress locally. Its election demonstrated the constitutional room for manoeuvre that Indian federalism permits both the individual voters as well as that of the opposition parties frequently elected to state governments. The programmes of the new state government similarly reflected the policy room for manoeuvre present; these included the implementation of land-ceiling legislation and redistribution of seized lands to the landless, security of land tenure to sharecroppers, and the raising of agricultural wages.

If the initial period of rule was marked by the LFG maximising both its room for manoeuvre within the processes and institutions of the state and the willingness of the poor, particularly the rural poor, to support the Left Front and utilise the opportunities its reforms facilitated, the more recent period of Left Front governance has been marked by a more administrative approach towards development and a more defensive approach towards politics. Increasingly development has lost its early character of being part of a broader political and social movement and has reverted to being the institutional delivery of service, albeit more efficiently, less biased, and more 'poor oriented'. It has resulted in a decline in the mobilization and/or commitment of the rural majority of marginalised groups — sharecroppers, landless, tribals, women, agricultural labourers etc. — who had originally combined to secure the Left Front power. Instead, the Left Front has assumed for itself the role of 'lead agency'

6 See Webster, N., (1989, 1992a).

in bringing about political change and agrarian reform and focused its political efforts on securing electoral support as the means to pursue radical reform. The problem is that the means has become the goal for many within the CPI(M).⁷

Translated into local politics, the CPI(M) is tending to change from a party that retains power through gaining the support of the middle peasant voter — i.e. the more affluent and higher caste rural households — on behalf of the poor and oppressed, to one that is the party of the middle peasant. In this way the party has itself become a site of struggle between different interest groups, different ideologies, different social classes, a contest currently reflected in the design and implementation of policy.

I would argue that today the Left Front Government is in a state of political flux. It has demonstrated its ability to reflect a radical populist programme of rural development and to do so in a manner that has won the support of other class elements in the rural population. The opposition, i.e. Congress, remains weak and divided in the state and the success of the Left Front in West Bengal together with a growing number of political crises elsewhere in the country leaves the threat of destabilisation or worse by the central government a more remote possibility than at many other times. Electorally the Left Front remains strong with signs of apathy amongst the poor the greatest problem. Politically it has consolidated its rural strength, policies of decentralised government and planning have been implemented that to some extent have empowered the poor, but it has also lost some of the dynamism and purpose. Ideologically the Left Front retains its commitment to the ultimate goal of a socialist people's democracy, but questions as to how, of agency, of the short and long-term goals and the strategic relation between these two, all lie in a contested terrain within and between the parties of the Left Front as well as between the planners, advisers and administrators that surround them.

These all reflect the continuing presence of a 'room for manoeuvre' for the state government that it fails to recognise. It is this 'room to manoeuvre' that permits the consideration of policy alternatives, and particularly those that can bring a new political momentum and re-mobilize the poor, that have a positive impact upon both production and its distribution, that are not directly antagonistic in class terms, and can build upon initiatives emerging from those social groups in possession of least entitlements and/or unable to realise their entitlement within its respective markets.

Grassroots Cooperatives

The term grassroots is designed to emphasise the local and participatory nature of the cooperative institutions under scrutiny. Grassroots cooperatives should be seen to be the outcome of local need and local initiative when there is a degree of local room for manoeuvre. In their organizational form the nature of the local social reality must be counterpoised to institutional needs. In that most cooperatives historically have been established from above (i.e. by the state), a model is imposed with an organizational and administrative form and logic that has its roots in nineteenth century European cooperatives. As in the case of many former British colonies this model was brought to India through legislation introduced by the colonial state.

⁷ See Webster, N. (1992a).

European in conception, system and practice, it all too often fails to acknowledge local economic, social and cultural practices. To the Indian villager its organizational form, its domination by the more powerful in the village, its reliance upon central control and administration by supervision, inspection, and use of a legal framework can easily render it as 'foreign', exclusive, and separate.

By using this concept of grassroots the aim is not just to exclude other types of cooperatives such as Primary Agricultural Cooperative Societies (PACS) but to recognise the tendencies present within any cooperative to move away from an emphasis on the problems to which individuals initially collectively responded and thereby to lose the reactive dynamic that gave rise to the institution in the first place. It is a tendency linked to bureaucratization, the formalisation of administrative structures, the hierarchical allocation of responsibilities etc.; developments that can undermine the participatory base of the institution.

It would be nice to be able to now state that the potential for grassroots cooperatives lay in a) their widespread presence demonstrating that they do feature as actor-directed strategies at the local level, b) their proven success in enabling key socio-economic groups improve both their ownership and exchange entitlements, and c) that this 'room for manoeuvre' at the local level can be combined with the 'room for manoeuvre' at the policy planning and implementation level so that grassroots cooperatives are facilitated and supported as part of a state-wide development programme directed towards improving the condition of the rural poor.⁸

Unfortunately, production cooperatives effectively disappeared from the development discourse in India after their perceived failure in the early period of Indian planning, data and information on both the prevalence and general success or failure of such cooperatives does not therefore exist. All that has been documented are the few success stories such as the Amul dairy cooperative or the sugar cooperatives of Maharashtra plus the findings of a number of local case studies such as Robert Wades' *Village Republics*.⁹

Given this absence of data, I propose to proceed by identifying the nature of the cooperation which can provide the basis for individuals as social actors to enter into grassroots rural production cooperatives; the role of local leadership and other actors in bringing about the realization of such cooperatives; and finally, to summarize briefly the findings from those grassroots cooperatives studied during the fieldwork in West Bengal.

The 'individual' decision to join a cooperative

In general terms cooperation exists in any activity which requires more than one individual in its execution (a division of labour), but it does not require that the individual possess a concern for others' well-being beyond pure self-interest. With the development of the labour process under capitalism and the move from formal to real subsumption of labour, cooperation is imposed economically and to some

8 For a discussion of the growth in middle peasant electoral support for the CPI(M) led Left Front Government, see Webster, N. (1989).

9 Wade, R.(1988).

extent socially. However, there is little individuality in the question of involvement in such cooperation for the majority of people, only individuation as a consequence.

In the developed west there are few contemporary examples of successful cooperation that challenge the orthodoxy of such individuated cooperation in the economic sphere. Only in certain contexts, historical and sectoral, have cooperatives occurred in western Europe and these are usually producer-marketing rather than production cooperatives.

If we exclude enforced collectivization, cooperation in cooperatives suggests a clear voluntary element on the part of the individuals involved, a decision to cooperate. But on what basis do individuals decide to 'voluntarily' cooperate? For the moment I propose to loosely aggregate theoretical approaches towards the phenomenon of 'individuals' deciding to cooperate in cooperatives into three:

(1) '*Calculative cooperation*'

This form of cooperative behaviour is based upon liberal assumptions about the individualistic basis to all activity, joint or not, but with the realists' denial of a social morality in the determination of action; i.e. a pragmatic self-centred approach towards action, zero-sum contests upon which only a 'leviathan' of the Hobbesian variety can impose cooperative behaviour. Once imposed, experience might then sustain such behaviour, the individual loss from the cessation of cooperative behaviour being greater than the cost of cooperation to the individual. This can be illustrated succinctly through the game theory of the Prisoner's Dilemma (diagram 1).¹⁰

Diagram 1:

The Prisoner's Dilemma adapted to the Question of Whether to Cooperate

		Other Players	
		Cooperate	Do not cooperate
Prisoner of 'Self'	Cooperate	COOPERATIVE	SUCKERED
	Do not cooperate	FREE RIDER	'FREE MARKET Km'

While the initial response of the prisoner (self) might be not to cooperate in order to avoid any loss of advantage to the 'others', once cooperation has been experienced the learning process replaces the assumption that the individual has no knowledge of the other players' choices. Once the decision of whether or not to cooperate has to be continually repeated it means that the decision is approached with the earlier

¹⁰ Here we can also draw on ideas from Hardin, G. (1968) and Olson, M. (1971) which draw on PD game theory very much. Also from Wade, R. (1988).

experience of the other players' behaviour (cooperation) present. Given this, the 'leviathan', that is the original means by which cooperation was imposed, is no longer an absolute necessity.¹¹

Such cooperation remains calculative of the benefits to be gained from cooperation and the costs (including sanctions) from non-cooperation. It is therefore both individualistic and to a high degree voluntary, resting on the individual's belief that she or he always has the (seemingly easy) option of withdrawing. Any form of cooperative that fundamentally infringes upon this ability to decide individually on matters of key symbolic control (e.g. with respect to land, family labour etc.) is not likely to voluntarily emerge or to survive successfully if imposed.

(2) '*Natural cooperation*'

This form of cooperation draws upon the idea of the innately social nature of the individual thereby involving highly normative value judgements such as 'good' and 'bad', 'rational' and 'irrational'; for example, the rationality of a mutually beneficial system of competition (comparative advantage) and the irrationality of state-centred conflictual competition (trade wars). Liberalism and welfare liberalism draw quite extensively upon this concept of cooperation in their discussions of relations between individuals, states etc.

The problem with such a concept of cooperation is that it is both ahistorical and naturalist in its philosophical assumptions. The nature of the individual is assumed to be permanent. What does change is the political/social/economic context within which the individual is located. The specific context is then located within a general evolutionary process towards democracy, the ultimate forum for individuality, albeit with authoritarian diversions, and periodic totalitarian backtracks. Given this, cooperation rooted in the individual's cooperative nature could evolve at any time subject to the political context. At the final level, the political context is determined by the state — i.e. 'good' and 'bad' states (here we can see links with the dualism of 'undemocratic' and 'democratic' states in the contemporary development discourse). But it also goes down to the micro social system with degrees of democracy and autocracy in the local social system, village, caste group etc.

Here lies a certain naivety in that it assumes that cooperation can be achieved primarily on a voluntary basis, no ultimate need for sanctions either external (e.g. the state via law etc.) or internal (sanctions, rules, social stigma etc.) and the power rooted in the relations involved. As such, this natural cooperation might be said to be the absolute opposite to the concept of calculative cooperation, yet at the same time one must recognise that both are analytically rooted in methodological individualism. Both operate with the individual as the determining actor. Groups are merely agglomerations of individuals and with both calculative and natural cooperation, inter- and intra-social group cooperation is implicitly assumed to involve rational individuals, albeit different rationalities, who should all show similar tendencies and whether it be for self-interest or for reasons of a 'higher' morality, should reveal similar patterns of behaviour and decision-making.

¹¹ This raises the interesting question of what might act as the initial leviathan to impose cooperation in rural India? Possibilities are the political leviathan of the state, the social leviathan of a social structure such as caste, the economic leviathan of the capitalist market where successful participation might demand the aggregation of individual producers, sellers etc., the environmental leviathan of scarce or disappearing resources.

(3) 'Social cooperation'

The third form of cooperation is rooted in a recognition of the individual as a social being only existing in relation to other social beings. Individuals both define and are defined by these relations which in turn determine the nature of the historical epoch in which the individuals live.¹² Here cooperation is not seen as a natural human condition but as a specific response to particular consequences of these relations such as poverty, discrimination, inequality etc., consequences reflecting the individuals' entitlements according to their ownership relations in the economic system they inhabit. The historical development of the social relations of production and distribution, both reconstitute existing social groupings and generate new social groups who in certain circumstances pursue collective, group-based strategies in order to improve their condition. But to understand why and how individuals collectively unite around key aspects of their economic lives it is necessary to go beyond a discussion of the general forms for organizing production and its distribution within the social formation as a whole to an exploration of the specificities of both social relations and actors' perceptions of the social world they inhabit at the local level. The analysis of the general form enables a separation of the nature of social cooperation from its form, for example it prevents the error of viewing attempts at grassroots cooperatives in a rural economy dominated by the private ownership of property and the general commoditisation of production as a 'return' towards more 'traditional' peasant forms of production.¹³ The analysis of the local, with the greater focus on the role of the individual as a social actor helps to answer as to why apparently common sets of structures generating similar social groupings are characterised by quite different responses from the individuals involved. If cooperatives are one such response, or strategy, production cooperatives are the most radical form for 'individuals' to adopt.

On the basis of the above calculative, natural and social cooperation all can provide an explanation for why individuals might form cooperatives — the individual good, the collective good and the social (group or class) good. But production cooperatives involving the rural poor require that the basis for involvement (structural condition), and the decision to be involved (individual agency) be clearly understood.

Both natural and social cooperation require, to use Kropotkin's term, 'a positive orientation towards others in society'. Both reject the essentially pessimistic view of human nature expressed in calculative cooperation. For both, the concept of cooperativism¹⁴ can be utilised to convey the presence of a commitment which goes beyond pure individualism in the motive of cooperation, for example an ethical belief in the ideal of sharing and mutual help or a socialist opposition to the exploitation and individualism found in a market economy. But cooperativism rooted in social cooperation possesses a structural dimension in that those individuals who engage in cooperativism either hold common entitlements or in some way have theorized the nature of entitlements in a way that leads them to join with their possessors in an attempt to improve or transform them. It is a structural dimension absent from natural

12 At the local or micro-level, Bourdieu's concept of habitus provides a useful basis for identifying a social arena producing and reproduced by the social actors located within it. See Bourdieu, P. (1977).

13 For example the neo-populist arguments of Russian narodniks in which the Russian village or 'mir' was seen to embody the basis for a socialist strategy in agriculture.

14 See Peter Worsley's use of the term. Worsley, P. (1971).

cooperation where the logic lies in a set of ethical beliefs that should appeal to all whatever their structural position.

With respect to the poor, social cooperation can be seen as a direct response to the oppressive and exploitative nature of the economic system with cooperativism and grassroots cooperatives as a logical, albeit potential development. It focuses upon the poor in terms of their relationship to, and control over, the sphere of production and their consequent entitlements. It focuses upon the particular basis for that relationship including the economic demands it places upon individuals and the social relations that fragment and distort their ability to contest their existing entitlements, but which can also facilitate responses to their condition of poverty.

At this point it is useful to separate the sphere of production from that of circulation at the local level, i.e. at the level of the involvement of the immediate producers, it enables a separation of the issues involved in cooperative activity within each.

In the sphere of circulation I would locate the following types of cooperative activity:

- credit,
- irrigation to individuals,
- other production inputs for purchase,
- supply of machinery on hire,
- household consumption needs via a cooperative shop,
- storage of produce for individuals,
- processing of produce for individuals,
- marketing of produce for individuals.

In the sphere of production I would locate the following:

- collective cultivation,
- collective irrigation,
- collective provision/receipt of credit,
- collective ownership of land/cows/fish etc.,
- collective leasing of land/water/machinery etc.

The most obvious distinction between the two is that cooperative activity in the former appears to present no threat to the individual's autonomy in negotiating his/her presence in markets that hold particular importance to him/her. That this is something of a mythical autonomy and very much ideologically articulated is not an issue at this point. The individual seemingly retains control over key symbolic factors of his/her life and that of the household they head. These include obviously land, deciding what to grow, when to plant, how long to work, whether to divert capital towards a son's education, a daughter's dowry etc.

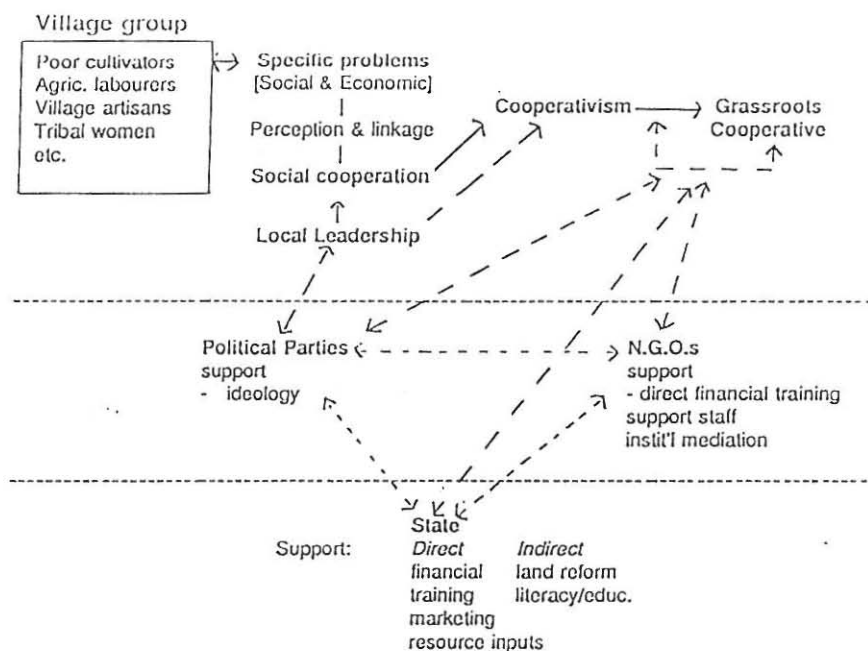
On the basis of this analytical separation between the spheres of circulation and production I will simply state for the moment that in a market economy cooperatives in the former are more feasible, that the individuals' voluntary participation is easily explained as calculative cooperation, and that cooperatives such as the PACS are relatively common not simply because the state establishes and supports them, but

because the members can remain individuated. The formation of cooperatives in the latter is much more difficult, appears to have had a poor success record, not least because the state has failed to support them, and is viewed by planners and politicians as idealist.

The following diagram illustrates the process of grassroots production cooperative formation. Drawing on both the theoretical ideas discussed above and the fieldwork experience described later, it identifies the socio-economic groups that have a potential for social cooperation due to particular economic problems. It then shows the transition by which the grassroots production cooperative is realised. The intervention and role of other actors in this transition from a common need to a common strategy, namely grassroots cooperatives, is also indicated:

Diagram 2:

The realization of grassroots production cooperatives



Leadership and the politico-bureaucratic environment

Two dimensions of the diagram require further comment and clarification here. The role of leadership, and specifically local leadership, is one of realization, of facilitation. It is the crucial factor in the transition from simple cooperation to coope-

rativism and to the grassroots cooperative in rural production. The leaders are those actors who forge the link between the logic for greater cooperation and the idea of cooperativism. The fact that they are local provides them with a sensitivity to the complexity of the social relations present and a potential to identify and build upon traditional cooperative practices.

While it is possible that calculative cooperation might be a basis for cooperation without strong leadership, that individual households might combine to produce a grassroots cooperative operating in the sphere of circulation without an initial leadership input, it is certainly the case that cooperativism in the area of production requires a leadership whose perception of the situation from the outset transcends a minimal individualistic or household-based assessment of possible gain.

The evidence from this and other research suggests that such leadership does not come from the poor themselves, but from amongst local political activists possessing an ideological commitment to work closely with and for the poor.¹⁵ Such individuals act as the facilitators for bringing about the realization¹⁶ and transition from simple social cooperation to cooperativism. Their role is crucial in first articulating the ideas, secondly, in the establishment and organization of these ideas into an institutional form, and thirdly, in providing a source of authority and a commitment to future goals in the running of the cooperative.

Social cooperation has its basis in a people experiencing common problems, it is for the facilitators to generate an overt commitment to social cooperation and the generation of cooperativism. For this the leadership must combine two key elements:—first, a clear understanding of the nature of the problem including its perceived nature and a detailed knowledge of the social and political context of the problem at the local level;

—secondly, an awareness and knowledge of cooperative ideas and organizational forms as a basis for a solution to the problem. The knowledge might be partially substituted by an awareness of where such knowledge might be obtained.

In practice they need the skills of inspiration and organization, in that order.

Ideally, once set in motion a grass-roots cooperative organization should possess a clear cooperative ideology amongst its members (usually absent in an institution imposed from above). This ideology, or commitment to cooperativism, is important in the struggle to prevent village or other power elites dominating the new institution. By their very nature grassroots cooperatives draw upon existing traditions of cooperative behaviour found in the socio-economic structures of kinship, caste, neighbourhood etc., what Hyden calls 'relations of affection'.¹⁷ But such relations also support political, social and economic inequalities within the social formation that run counter to any cooperative principle of equity. So, while the solidarity present in such relations will remain in the new organization, the purpose to which they are applied must be transformed. It is here that the cooperative ideology must play a central and determining political role, by countering the political hegemony of the social order from which the cooperative organization has emerged.

¹⁵ Here links can be made to both Wolf's and Alavi's discussion of the role of middle peasant in leading peasant movements. Alavi, H. (1965), Wolf, E. (1969).

¹⁶ Concerning 'realization' the point is that the logic for such action exists but the idea is needed to realise that action in practice.

¹⁷ See for example the discussion in Hyden, G. (1988).

Finally, the diagram reintroduces the state, N.G.O.s and political parties into the discussion. Here the view is from the bottom-up so state policy and its implementation, along with the possible involvement of N.G.O.s (via state approval) and political parties are viewed in the case studies in terms of their negative, neutral or positive attitude to the specific grassroots production cooperatives. It is the politico-bureaucratic environment external to the village that those seeking to function as a cooperative find themselves in: enlightened development officers, obstructive departments, bureaucratic regulations, ministers willing to directly intervene, inter-party politics, intra-party factionalism, rent-seeking officials etc.

The conditions for grassroots cooperatives are locally constituted, the origin lies in a local response to locally articulated versions of more general economic and social phenomena. But for that response to develop, to be institutionalised, and to achieve some degree of success in developmental terms, it must find a politico-bureaucratic environment that is at least neutral and preferably enlightened to the point of overtly facilitating local decisions to pursue cooperativism as a strategy.

The Case Studies

The grassroots production cooperatives studied lie in four districts in different parts of West Bengal.¹⁸ Some of them had been discovered during previous periods of fieldwork, some were learnt of through talking with other researchers, some were referred to by villagers when they learnt of our interest in such organizations. It was a search that again illustrated the point that there exists no concept of grassroots cooperatives amongst the planners, the political parties or other similar agencies.¹⁹

In Bardhaman District two clusters of villages were identified, the first in the north-east of the District where a large fishing cooperative is functioning and a second in central Bardhaman where a large land cooperative functioned in the fifties, but where in recent times there have been a series of attempts by marginal and landless peasants to collectively cultivate vested land (land seized by the government under Land Reform legislation) prior to its distribution. In addition, the latter cluster includes a village in which groups of cultivators are collectively investing in mini-tubewells and leasing-in land for cultivation during the dry season cultivation of boro paddy.

In North 24 Parganas District, three clusters of villagers were studied, the first covering an area settled by refugees from East Pakistan/Bangladesh during the fifties, sixties and seventies. An important jute growing area, the local PACS is actively trying to counter the traditional dominance of the jute market by traders and the depressed price paid to the majority of small cultivators forced to make distress sales at the time of harvesting. In addition, a biddi-making cooperative (country

¹⁸ Sri Nripen Bandyopadhyaya from the Centre for Studies in the Social Sciences, Calcutta, has collaborated extensively in the research and has been central in the process of locating grassroots cooperatives for the study.

¹⁹ The absence of grassroots cooperatives from the development discourse elsewhere in India was illustrated by a seminar presentation made by the author at the Institute for Social and Economic Change, Bangalore, based on this research. Initially, those present at the seminar felt that the existence of grassroots cooperatives was something peculiar to West Bengal, but as the discussion proceeded similar examples began to emerge from amongst researchers who had conducted fieldwork in different parts of Karnataka and Kerala.

cigarettes) functions in the area. Although no formal grassroots production cooperative functions in the locality apart from the biddi cooperative, the marginal nature of the vast majority of cultivators and their common social experience of migration from the east appears to provide the basis for a high degree of social cooperation in cultivation, solidarity amongst the households, and a level of politicisation in the area higher than in many other areas. Close to this locality lies another cluster of villages around a large oxbow lake. As in the fishing cooperative in Bardhaman District, the traditional communities of fishermen in these villages had formed a fishing cooperative to manage the fishing of the lake.

The third cluster of villages in North 24 Parganas was the location for a large grassroots production cooperative, the central role of which was the collective cultivation of paddy on a large area of land leased in during the summer dry season. This cooperative subsequently diversified into other areas including a weaving section for women, a collective paddy mill, and extensive credit provision. The cooperative collapsed due to political rivalries in the early eighties, but is being revived on a smaller and less production-oriented basis.

In Bankura District the study focused upon three of the 19 silk cocoon producing cooperatives that have been formed by tribal women in the south west of Bankura District bordering on the District of Purulia. The first village Mohilla Samitis (Women Societies) were formed in the early eighties as a response to the general poverty in the area that resulted in thousands of women migrating up to four times annually to the gangetic plains in order to find work in the paddy fields. Denied access to their more traditional forest-based sources of livelihood, the poor condition and marginal size of their landholdings left little alternative to joining labour gangs to service the labour requirement of the more prosperous rice areas to the east. The social cost of this migration is high: children taken out of schools to accompany the mother, high incidence of violence against wives and desertions, sexual abuse while working in the plains etc. Since the mid-eighties, the Mohilla Samities have established plantations of trees in each locality on which they now rear silkworm cocoons for sale to the State's Silk Marketing Board.²⁰

The final district is the northernmost District of Darjiling. Here a brief study of the Himul Dairy Cooperative was made. Modelled on the successful Amul Dairy Cooperative of Maharashtra, the Himul Dairy Cooperative drew in a number of small locally initiated dairy cooperatives operating in the mountain areas between Darjiling Town and the town of Shiliguri situated on the plains below.

For the purposes of this paper, it is not possible to enter a detailed analysis of each of the cases studied. The study is in fact more detailed than the above suggests, because by taking clusters of villages I sought to broaden the analysis to include villages where there was no involvement in grassroots cooperative activity of an institutional form, but where similar types of production existed in fishing, dry season paddy cultivation, mini-tubewells etc. This provided for comparative perspectives on the cooperative activity from non-participating villages; it pursued the question of why similarly placed social groups, not just individuals, pursue different strategies; but it also revealed a wide range of other informal cooperative activities, often of a traditional nature. Examples include joint sugar-cane harvesting and manufacture of

20 See Webster, N. (1992b).

molasses, exchange of labour between households at certain points in the cultivation labour process, savings and chit groups etc.

Table 1: The Types of Cooperative Organisations Investigated

Resource	Coop.	Specific activities
Fishing	a.	Stocking, fishing, marketing
	b.	Stocking, part fishing, part marketing
Land	c.	Joint cultivation for rice
	d.	Joint cultivation of vested land for rice
	e.	Leasing of land by crop season for rice cultivation
	f.	Leasing/vesting of wasteland for forest production/sericulture
Water	g.	Irrigation from canal
	h.	Irrigation from mini-tubewell
Milk	i.	Breeding, health, secondary processing, marketing
Biddi	j.	Manufacture, marketing
Cloth	k.	Manufacture, marketing

The principal factors examined in each case were the reasons or logic for the organization's emergence, the nature of its initial realization (i.e. from simple cooperation to cooperativism), the extent it drew upon traditional forms of cooperation, the importance of local leadership, the type(s) of cooperation (calculative, natural, or social), the sphere(s) of cooperation (production or circulation), the spatial nature of the organization (including caste, gender, land, and occupation alongside those of village, and neighbourhood), the sanctions practised within the organization (social and/or economic), and the degree of democracy in the running of the organization. Then a series of factors that I collectively term the political-bureaucratic environment were also examined. These included the attitude and policies of political parties, the state, and N.G.O.s.

The following table provides a very brief summary of the experience of the eight common pool grassroots production cooperatives listed above.

Table 2: A summary of the nature and experience of the principal production cooperatives studied

Factors	Cooperative										
	a	b	c	d	e	f	g	h	i	j	k
Common problem/ risk dependence	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Traditional cooperation	yes	yes	yes	yes	yes	yes	yes	no	no	no	no
Local leadership by activists	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no
Type of cooperation (C/N/S)	C+S	C+S	C+S	S	S+c	S	C+s	C+s	C+S	S	C
Sphere of cooperation (P/C)	P+C	P+C	P+C	P+c	P+c	P+c	C	P	C+p	P+c	P
Spatial (Vil/Para/Caste /Land/Gender/Occ)	V+C +O	O	V+O	L+P	L+V	G+L	C	P	O	O	O
Sanctions practised (Soc/Ed)	S+E	S+E	S	S	S+o	s+E	s+o	o	S	o	o
Democratic structure*	+	++	+	-	+	++	-	-	+	+	-
Party support*	+	+	+	++	++	+	-	-	-	-	-
N.G.O. support*	-	-	-	-	+	++	-	-	+	-	-
State support*	+	+	--	-	+	+	-	+	++	-	-
Politico/bureaucratic environment*	+	-	--	--	-	+	--	+	+	-	-
Success (1-10) in terms of time+extent	7	6	4	2	5	6	2	7	5	6	3

Note: Capital letter denotes the factor to be significant, a small letter denotes it to be present but weak

* -- negative presence, - no presence, + limited presence, ++ strong presence

The findings of the fieldwork have already informed much that has been discussed earlier in the paper, but here I will restate and develop some of the points to emerge from the case studies.

It is clear that in all of the grassroots cooperatives studied there was a clearly identifiable set of problems affecting those who decided to form or join the organization. The problems were primarily economic, but they were not necessarily a consequence of the ownership or non-ownership of key economic assets. In many cases the individuals' social condition (gender, caste, ethnic etc.) seriously affected their ability to realize their entitlements, i.e. to receive the full 'market' value or legally entitled payment for labour,

sharecropping etc., or even to enter the market, or securing services as for example in the case of government services. But this social fragmentation of the various markets is also a basis for constituting and/or reinforcing social identities. The tribal women's cooperatives in Bankura are a very good example: forced to migrate up to four times a year in labour gangs to find work in the paddy fields in the plains to the east, they have drawn upon their gender and ethnic experience of this migration to form the silk cocoon rearing cooperatives on wastelands in their own areas as a way to counter the economic deprivations they face.²¹

It is on this basis that I have argued that there exists a structural framework within which we must locate the individual, but that within this framework individuals, as social actors, pursue different tactics and strategies according to their local experience of these structures, the impact, and the social relations they involve. Amongst poorer households social cooperation is a common tactic for survival, but cooperativism and grassroots cooperatives are a possible strategy incorporating and going beyond simple social cooperation.

Although it was one of the criteria for selection, in each of the case studies a social group clearly constituted by its ownership and exchange entitlements, i.e. a social group with clear social boundaries, had gone beyond existing practices of social cooperation to adopt a strategy of cooperativism based in nine cases on production, in one case on production and circulation, and in one case on circulation alone.

In six out of the ten cases involving production, there had been previously traditional cooperation in the relevant productive labour process, and in all eleven cases there was a tradition of inter-household cooperation. The cooperation in the labour process in particular, appeared to have provided the basis for grassroots cooperative development: for example fishing, labour exchange in cultivation, common pool resource irrigation (especially canals). I have argued that such cooperation can frequently go beyond calculative or natural cooperation and possess a degree of structural determination that means that the individual is responding to a collective problem socially, not merely individually.

In none of the case studies could the cooperation be described as natural, nor did the participants' own descriptions present it as such. As shown earlier, the distinction between calculative and social cooperation is more difficult to make. The evidence reported in Table 2 gives the possible explanations for the type of cooperation present based upon observation and the participants' own perception of their involvement.

A third factor in the discussion relates to the central role of local political activists as facilitators. They were present in all of the cases studied. In each instance the local leadership came from amongst those who already had a history of political activism in the village. But the point needs to be broadened out as political activists and political activism go hand in hand. In all the villages covered by the case studies there is a history of political activism in the locality (anti-colonial movements, sharecropper and anti-canal tax movements etc.) and this has been the basis for organizing *krisak* committees (local committees of the communist-led Peasant Association, the *Kisan Sabha*). In this way villagers who are not necessarily leading activists never-

21 See Webster, N. (1992b) for a fuller account of this particular group of grassroots production cooperatives.

heless have a history of activism and an existing political organization to draw upon when forming a cooperative.

A fourth factor that emerged from the fieldwork that appears to be of central importance for both the emergence and survival of grassroots *production* cooperatives is the nature of the productive activity engaged in. When the cooperative has been based upon an engagement in a new productive activity, for example the collective cultivation of dry season paddy, or where a traditional productive activity has been threatened, for example the possible loss of community fishing rights due to the implementation of land reforms, the possibility of forming successful grassroots cooperatives appears to be far higher than if the attempt is to change an existing set of production activities, for example the collectivization of an existing productive activity as in case c which involved the pooling of land for the cultivation of the main monsoon irrigated rice crop. This distinction can be tied to the question of what constitutes an immediate threat to both the individual owner of productive assets (land, water, artisan skills) and collectively to the dominant producers in the village. Or to put it another way, what constitutes a reorganization and alternative division of existing production and what constitutes an addition to that production.

This leads into a number of other factors that emerged as significant for the success and longer term viability of such attempts.

- Where a substantial capital investment *from the members* at an early stage of the cooperative's life, e.g. in fish stocking or for irrigation equipment, divisions amongst the members along lines of wealth are a major problem and often the cause of institutional breakdown. When the investment is from *external* sources such as a grant, the reverse appears to be true. In both the fishing cooperatives, development grants gave considerable impetus to the cooperatives and the members' commitment.
- In all the case studies, the local political leadership provided the basis for a clear structure of authority within the institutions, but a major problem identified by the members in most cases was the lack of information about decision-making, resources etc. Clearly, while the leadership is of central importance, so too is a 'democratic' structure which not only emphasises participation and representation, but also the dissemination of information on all matters. Reliable information on production, sales etc. is seen just in terms of its availability, but also in terms of who provides it, i.e. someone who can be trusted by each sub-group within the organization. This might be a political faction, a local neighbourhood in the village, or a sub-caste group.
- While cooperativism suggests a commitment to the cooperative beyond self-interest, involving a sense of obligation and a degree of trust, the presence of sanctions nevertheless appears to be necessary. They appear to counter the fear of being 'suckered'. In the longer term their necessity might be more symbolic than real, but the experience of years of cheating, local corruption etc. cannot be swept away overnight. Sanctions might be social (stigma, a sense of 'ought' etc.) or economic (fines, reduced wages etc.). In some cases, where the cooperative is a registered society, they might also be externally imposed by the state (failure to keep accounts etc.), but external sanctions are more to do with the politico-bureaucratic environment than with the maintenance of internal solidarity.
- The lack of the necessary organizational skills, management skills, 'democratic' skills, financial and marketing skills are all major problems.

- Marketing of production is a major problem due to very powerful monopsonistic forces within the concerned markets — rice, silk cocoons, milk, fish.
- Party politics has always been a problem, but is increasingly so as institutions are sites for the local inter-, and sometimes intra-, party struggle for local power and influence. Most cooperative members argue for the exclusion of politics from the cooperative, by which they mean party politics.
- Where both the politicians and the administrative personnel of the state, central and local, have been supportive then the success of the grassroots initiative has been better.
- With respect to N.G.O.s, their intervention can be crucial in providing such skills and in helping to realize cooperativist aspirations. But it is important to note that the two N.G.O. interventions covered came after the local demand for some form of collective strategy (case f) and after the cooperative had functioned for some years (case e).

In the present politico-bureaucratic environment and the markets for economic, political and social goods and services that it permits, any grassroots cooperative initiative will collapse without alternative or individual mediators to help support it. At present it has to be said that the State government and other 'higher' agencies are generally unhelpful, non-supportive, even disruptive. In other words the politico-bureaucratic development 'environment' is antipathetic to such grassroots production cooperatives. Case c was a classic example as the state applied agricultural taxation to the cooperative as a single landowner, refusing to recognise the fact that the landowning members still retained individual property rights. This was the principal cause for the collapse of the land cooperative.

Conclusion

The seven months of field research revealed that there is a continual process of grassroots rural production cooperatives forming and dissolving in West Bengal. It also revealed extensive cooperation between households in cultivation, fishing, and other productive and non-productive activities. Both of these phenomena run counter to the ideological argument that development = a market economy = individuation of production units or individuation in the production process. In particular the grassroots production cooperatives demonstrate that groups of individuals do perceive it as a logical response to the problems they face within the market system they live in. The cooperation involved goes beyond the calculative or natural forms and demonstrates that social cooperation generating cooperativism is a logical response to, but within, a market based economy.

The successes of some of these cooperatives further demonstrate that 'capitalist' individualism and competition need not necessarily extend into the organization of production and production units even though that production is directed towards the market economy.

In conclusion therefore, the longer term failure of grassroots cooperatives lies not so much in the impossibility of the concept of social cooperation and of rural production cooperatives, but rather in the fact that the politico-bureaucratic environment into which

they emerge tends to be one that has largely failed to recognize their potentiality and support their practice. Politicians and planners have failed to explore the full complexity of the lives they seek to improve through development policy, they have failed to recognize the potential for development that marginalized socio-economic groups have indicated through their recourse to both social cooperation between individual households, and cooperativism through collectivities of workers, producers etc. Yet, as I sought to argue in the first part of the paper, the potential for policy changes is present in West Bengal. The State government does possess the 'room for manoeuvre' to attempt and experiment with such innovative ideas. That is the hope for the future.

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