

FISHERMEN COOPERATIVES: A TOOL FOR SOCIO-ECONOMIC DEVELOPMENT

PROF. VRAJLAL SAPOVADIA, NATIONAL INSTITUTE OF COOPERATIVE
MANAGEMENT, GANDHINAGAR, 382007, INDIA, prof_sapovadia@yahoo.co.in

ABSTRACT

Cooperatives are considered shield of the weak. In cooperatives, members with limited mean pool their resources and efforts to achieve much, which otherwise they would not have achieved. Cooperatives are democratic organisation and definition of democracy given by Abraham Lincoln fits perfectly 'for the people' 'by the people' 'of the people'. Mankind's existence is based on food. Food is one of the primary needs of human being. Natural resources in sea, river, land and mountains fulfill food requirements. Agriculture alone is not sufficient to mankind for more than one reason. Fisheries' industry supplements it to a large extent the food and medicinal requirement. Growth and development of economy accelerates, if the country having such natural resources utilise these resources effectively and efficiently. The fisheries industry gets strengthened by way of mutual cooperation of individual fishermen. An individual faces lacunas in business of fisheries, from collection to storage to process to marketing to infrastructure, to technology to finance needs. This individual strength can be synergies and weakness an individual faces may be eliminated or reduced to form a good fisherman cooperative. The main reason in Indian context (and may be true for other developing countries) lies in their academic, financial and social backwardness. Besides that, fishermen are victims of social inhibitions, superstitions, uncertainties of weather and old technology. India is a unique case in fishermen cooperatives. It is tool to eliminate poverty, and hence important socio-economic development driver. There is one National level federation, under which there are 17 State level federations, 18 District level federation and 13,000 primary societies comprised of 2 million members. The paper highlights strengths and weakness of present fishermen cooperatives and suggests ways to overcome it. It is the cooperative folds that can make enable fishermen to improve their skill, acquire knowledge about technology, market and management. Cooperatives can enhance production, processing, storage, transport capacity and back up finance needs. Thus cooperative organisation may compete International Corporations by adopting professional management skills coupled with cooperative strength.

Keywords: FISHERIES, COOPERATIVES

INTRODUCTION:

It is known that cooperatives are one of the oldest and the most important ancient socio-economic organizations in the world. During its long history, the cooperative movement has proved itself to be stable, competitive and popular among people. Such an image was earned thanks to the cooperative social activities that fulfill needs of the members and society. Cooperatives are democratic organisation and definition of democracy given by Abraham Lincoln fits perfectly 'for the people' 'by the people' 'of the people'.

The cooperative form of organisation is an effective medium for bringing about the socio-economic transformation of the hither-to neglected sector where the masses flock. Cooperative facilitates material advancement through united action, which in turn fosters self-reliance. The cooperative movement is considered as the means of transforming the rural society in all plan documents. It is rightly quoted that "there is no other instrument as potentially powerful and full of social purpose as the cooperative movement".

Cooperatives are considered shield of the weak. In cooperatives, members with limited mean pool their resources and efforts to achieve much, which otherwise they would not have achieved. [1]

“Survival of the fittest” the Darwinian principle applies to corporate organizations and other economic organizations. Cooperatives are socio-economic organisation and hence the principle “Survival of weakest” is applied with some sort of State assistance. Cooperative being social body it has its own set of characters require to be preserved. The members have common economic goal and each other need support of the rest. The state has to play role of trustee as the members are under privileged.

It has been described as the largest socio economic movement in the world, for it has nearly 600 million individual members. According to membership statistics of the International Co-operative Alliance (ICA), which actually understate the movement's size as they exclude non-affiliated organizations, there were 674,967 cooperative societies in the world in 1988, and more than 500,000 of them were in developing countries. They are active in every type of economy and in almost all sectors. [2]

Every cooperative is in some way or another a reflection of a certain cultural and political background, and indeed must fit into its own society in order to survive. This accounts for the considerable difference in cooperatives from one country to another, and seen from the global perspective the variation is great. [3]

Cooperatives as commercial, formal and legal institute came into being in 18th Century and strengthened further in subsequent years, but cooperation as inbuilt nature of human being brought informal cooperatives in various forms since existence of the mankind. Writers sometimes trace the origin of cooperatives from the Rochdale Equitable Pioneers' Society, an urban, consumer cooperative organized in England in 1844. It sold consumer goods such as food and clothing to persons unhappy with the merchants in the community.

While neither the first nor most successful early cooperative, the Rochdale Society developed an active outreach program, encouraging and assisting others to form cooperatives. In the middle of 18th century, with the birth of crude industrialisation and capitalism based on the Darwinian theory of survival of the fittest, the world witnessed chaotic and exploitative situation leading to marginalisation of wage earners, agriculturists and common man. Cooperation emerged as an antithesis of the Darwinian concept. Sociologists like Prince Kropotkin who emphasized that to survive in a competitive situation, organizational strength of the weak is the key propounded it. Economists like Saint-Simon and also the social and church leaders in Europe further elaborated this concept. Prominent among them was Robert Owen of England who initiated a number of experiments for making cooperation as an instrument of equitable economic order. [3]

As chameleon, cooperative change its colour to suit the environment in which it exists. Hence, all over the world, cooperatives has grown to meet the requirement of time and place. As a mutual concern it takes the colour from needs of their founder members. Cooperatives works for poor and rich, weak and strong and for far reaching ends. One of the limitation it face, is proximity of spatial, it generally works for a local area. [3]

Fisheries are one of the major sectors that contribute an important role in the economic development by providing means of livelihood to the rural areas. The fisheries cooperatives all over the world have been in existence since many years. The United Nations established an organisation called Food and Agriculture Organisation, Rome that deals with development of fisheries for the economic development of fishers and fisheries industries throughout in the world. The National Federation of Fisheries Cooperative Association (ZENGYOREN), Japan has taken a lead in development of cooperative sectors,

particularly in Asia. Overseas Development Assistance provides fund for fisheries development programmes. International cooperative alliance (ICA) deals at international level while several Kibbutz are working in Israel for fisheries on cooperative basis. National Federation on Fishermen Cooperative Limited (FISHCOPFED), New Delhi, India works for betterment of the fisheries. [4]

Historical Perspective:

Formal cooperatives began in late 19th century, with credit cooperatives in India. First cooperative legislation was introduced in 1904. Cooperative portfolio expanded in new sectors very rapidly and fisheries cooperatives emerged in various part of the country in 20th century. The union government considered fisheries and cooperatives as prioritized in their national policy. The subject matter, after independence within new constitution falls under concurrent list, and hence Union Government and State Governments are entitled to execute power on fisheries and cooperation.

The natural resources of land, water, forests, fisheries and environment constitute the basic support systems of life on earth. Sustainable development, which is now universally accepted as the supreme goal of society critically, depends on the quality, quantity, extent of utilization, and wise management of natural resources. Out of available alternative form of organisation to manage natural resources, cooperative mode of management seems to hold the highest promise as an instrument of achieving the goals of efficiency, sustainability, equity and higher level of well being of local people. It is also politically and socially more acceptable.

Mankind's existence is based on food. Food is one of the primary needs of human being. Natural resources in sea, river, land and mountains fulfill food requirements. Agriculture alone is not sufficient to mankind for more than one reason. Fisheries' industry supplements it to a large extent the food and medicinal requirement. Growth and development of economy accelerates, if the country having such natural resources utilise these resources effectively and efficiently. The fisheries industry gets strengthened by way of mutual cooperation of individual fishermen. An individual faces lacunas in business of fisheries, from collection to storage to process to marketing to infrastructure, to technology to finance needs. This individual strength can be synergies and weakness an individual faces may be eliminated or reduced to form a good fisherman cooperative. The main reason in Indian context (and may be true for other developing countries) lies in their academic, financial and social backwardness. Besides that, fishermen are victims of social inhibitions, superstitions, uncertainties of weather and old technology. India is a unique case in fishermen cooperatives. It is tool to eliminate poverty, and hence important socio-economic development driver. [2]

Population of India as stands in year 2001, to be 1000 million is consists of 70% rural inhabitants and equal proportion is living on agriculture as their main livelihood. Due to long sea bank and large number of rivers, lakes and other water reservoirs occupied main land, fisheries is not only the source of livelihood but an item of commerce and business.

Indian Fisheries Cooperatives:

As provided by Constitutional Law of India, cooperatives are subject mater of concurrent, Union and States can enact and execute law. Thus, in any state, cooperative may be registered under State Cooperative Act, and if a cooperative has work span in more than one State, it is required to register under Central Cooperative Act. The government policy remained always favourable to promote fisheries cooperatives. Government it self created with its monitory support national and state level cooperative federation, to coordinate lower level of fisheries cooperatives.

Structure and Functions of Fisheries Cooperatives in India:

Following structure exists in the country to administer fisheries cooperative, under state policy from time to time. At National level National Federation of Fishermen's Cooperative Limited, as apex body composed of as members from State Federation of Fishermen's Cooperative numbering 17. The main functions are depicted in subsequent lines. Central Fisherman's' Cooperative Societies numbering 108, works in more than one State, and hence registered under the Central Cooperative Act.

National Federation of Fishermen's Cooperative Limited

Main Functions:

- Arrange supply of fisheries inputs and equipments
- Transfer technology to fishermen through cooperatives
- Insurance cover to fishermen
- Procure pond/lake on lease basis for development of fish breed and sale of fish at reasonable price
- Provide consultancy services to the members of fishery cooperatives
- Setting up training cum demonstration units
- Marketing of fish and fish seed and promote exports
- Research and consultancy in fishery cooperatives
- Publications
- Liaison with Government and other departments, cooperative institutions, International Cooperative Alliance and other agencies

State Federation of Fishermen's Cooperatives (17)

Main Functions:

- Promote and develop fisheries cooperatives in the state
- Raise capital through share, deposits and borrowings
- Procure and distribution of required fishery inputs and equipments
- Marketing of fish at reasonable rates
- Undertake processing activities and export of fish products
- Technical guidance
- Liaison with State Government and other agencies

Central Fisherman's' Cooperative Societies (108)

Main Functions:

- Coordinate State Federations and Primary Cooperatives
- Support Primary Cooperatives through various program

Primary Fisheries Cooperative Societies (13,117)

Primary Members (20, 87,000)

Main Functions:

- Motivate Fishermen to organize cooperatives
- Procure fish from members and provide complete infrastructure for sale of fish
- Provide fish seed, net and other inputs and equipments
- Arrange technical guidance for members

Progress of FISHCOFED (Year 2000)

Membership	:	71
Nominal Membership	:	134
Paid-up Capital	:	4.1 (INR Million)
Sales	:	2.21 (INR Million)
Profit	:	0.20 (INR Million)

Fisheries Cooperatives as Socio-Economic Development Tool:

Fishermen and fish farmers constitute the backbone of Indian fisheries industry. Fishermen come from weaker section of the society; they are generally backward in terms of economically, politically, educationally and socially. They are settled as inhabitant in the water area and they take resources of fisheries as theirs ancestral profession to earn livelihood. As they have limited means of resources and ignorance to technology, local resident fishermen combined their resources with help of government and other social agencies to form a mutual concern like cooperative. A study conducted by National Cooperative Union of India, reveals that only 4% of fishermen took education up to graduate level. [5, 6]

Fishermen Cooperatives are not merely a tool for livelihood, but many such cooperatives are engaged in social activities, in the field of education, health, public distribution system, social reform and charity in normal and abnormal time, during natural or man made calamities. The Veerava Fishermen Cooperative is such social reform and welfare society, carried out programmes of removing superstition, education, health and other social services. [5]

India is one of the few countries in the world having enormous resources with ideally suited agro climate for fishery development activities. However despite having rich resources the contribution of fisheries sector in overall GDP development is very low. Therefore fisheries are expected to contribute more to the national economy.

Strengths:

Long sea bank, number of water reservoirs and favourable climate are natural resources available to Indian fisheries. Ancestral fishery business has given inheritance strength to the fishermen. They enjoy training since birth. Indian culture teaches to unite and cooperate, and hence fishermen are used to live in joint family and are familiar with cooperative organisations. [7] Also there are various types of cooperatives providing net work, which help each other in competitive environment to exist, grow and sustain. Conducive government policy help cooperative to enjoy work efficiently and effectively with assistance of government schemes.

Because of the longest coastline and a fairly large order of riverine and reservoir resources, many Indian States, namely Gujarat, West Bengal, Maharashtra, Orissa, Tamilnadu, Kerala are considered as potential in fisheries industry.

Weaknesses:

Literacy rate is very low in fishermen, and hence they are unable to utilise world class skill required in competitive business environment. Poverty compels fishermen to work on traditional tools and techniques, and have limited resources at their disposal that can be employed in fishery business. Fishery business required machinery and tools, weather forecast and finance to catch, store, process and transport fish and fish products in the market. Fishermen are not skilled enough in technology, breeding, marketing and professionally.

Inland fisheries are major activity and lack of quality consciousness, illiteracy, poverty, lack of infrastructure, pollution, myopia in technology are major concern that inhibit international standard of fisheries industry. There is very low productivity in the marine segment, giving low yield in riverine and reservoir segment make the fisheries cooperative non-viable or low profit making organisations. Fishermen are unable to get reasonable price, because of low breed, quality lack of storage and transportation. There is no value addition processing and hence raw fish get hardly more than livelihood of a small family of fishermen. There is no professionalism in managing fishermen cooperative that lack strategy formulation and policy implementation.

Suggestions:

More training institutes and development agencies are required to train and assist fishermen. Technology from breeding to catch, processing to transport and marketing are sine qua non in competitive business environment. Due to limited means, fishermen should be assisted by development agencies at all value chain pools.

In the inland fisheries sector, the plan policies aim at giving a special thrust to organize and manage fishery activities on cooperative basis with involvement of highest order of labour. Low investment so that levels of rural employment and rural income can be raised. The latest technology provides substantial opportunities for increasing fish production in the inland waters even in small tank, ponds through culture practice. By now commercial viability of culture fisheries has been proved and with a massive program of extension, the development technology needs to be taken from the laboratory to the land. The fish farmers' development agency should take up the concrete program in this regard.

The fisheries operations are conducted in more controlled environment. Further the fishing ground are easily located, developed where stock of fish can be reared, exploited and replenished from time to time. Investment requirement of inland fisheries are relatively smaller with corresponding higher productivity. This ensures higher production incomes of the fishermen and here lies the importance of fisheries cooperatives. With improved degree of management fisheries cooperatives can function more effectively and successfully as an effective tools for meaningful development in the rural area by way of creating employment opportunities and poverty alleviation.

Further, fisheries cooperatives can contribute to the national economy, as there is ample opportunity for export of fisheries and fish products. Value addition to fish may generate more profit. Fisheries cooperative may engage themselves alone or in coordination with others in processing and storage of fish and fish products.

Cooperatives can enhance production, processing, storage, transport capacity and back up finance needs. Thus cooperative organisation may compete International Corporations by adopting professional management skills coupled with cooperative strength.

The involvement of cooperatives and the private sector will be encouraged for development of animal husbandry, poultry and dairy. Incentives for livestock and fisheries production activities will be brought at par with incentives for crop production. An integrated approach to marine and inland fisheries, designed to promote sustainable aquaculture practices, will be adopted. Biotechnological application in the field of genetics and breeding, hormonal applications immunology and disease control will receive particular attention for increased aquaculture production. Development of sustainable technologies for fin and shell fish culture as also pearl-culture, their yield optimization, harvest and post-harvest operations, mechanization of fishing boats, strengthening of infrastructure for production of fish seed, berthing and landing facilities for fishing vessels and development of marketing infrastructure will be accorded high priority. Deep sea fishing industry will be developed to take advantage of the vast potential of country's exclusive economic zone.

It is suggested that to increase productivity, horizontal and vertical expansion of operations and activities can enhance production and that may result in economies of scale. Barren lands should be used along with all other reservoirs with more valuable breeds of fish that is in international market demand. Pollution should be controlled in and around water reservoirs, river and other resources. A systematic research and development institute is imperative for globally competitive fish trade that gives boost to national economy. It is also desirable that welfare activities for fishermen and their families be carried out by state agencies.

Table 1*
Cooperatives for Weaker Sections (Primary Level) in India
(Value in INR, Million)

Fishery Cooperatives

Number of Fishery Cooperatives	13,117
Number of Dormant Cooperatives	1,453
Membership (Million)	2.09
Weaker Class Member	0.41
Membership of Marine Fisheries	42%
Membership of Inland Fisheries	58%
Fishermen Insured	0.96
Share Capital	390.24
Government Participation	36.2%
Total Assets (in INR million)	866.9
Fixed Assets (Mechanical Boats etc.)	9.8%
Working Capital (in INR million)	1486.58
Sales/Turnover (in INR million)	625.55
Fish Catch (In Tones)	30.091
Fish Catch (in INR million)	248.7
Fish Exported	13.9%

* Source – Member Organisation, FISHCOPFED, NABARD
Indian Cooperative Movement, A profile 2001, By NCUI, New Delhi

Table 2
General Information & Fisheries in India

Total Population of India	1030 Million
Total Fishermen in India	6.2 Million
Fishermen in Cooperatives	21%

Marine Fishery Resources

Length of Cost Line	8041 kilometer
Continental Shelf	528,000 Kilometer ²
Number of Landing Centers	1,815
Number of Villages	3,823
Farmers Trained	0.866 Million

Inland Water Resources

Length of River	18,573 Kilometer
Area of Reservoirs	2.041 Million Hectare
Area under Tanks & Ponds	2.105 Million Hectare
Blackish water	1.422 Million Hectare
Flood Plain Lakes & De-related Water	0.79 Million Hectare

General Economics

Average Fish Consumption in India	3.5 Kilogram
Per Capita in Other Countries	11 Kilogram
Fish Landing Centers	130
Total Motorized Boats	35,000
Total Mechanized Boats	47,000
Total Vessels	174
Total Traditional Boats	1, 92,000
Total Fish Production	5.27 Million Tones
Inland Fish Production	2.33
Marine Fish Production	2.94
Export of Fish & Fish Products	46268.7 Million INR

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