

Cooperatives as an instrument for Mitigating the Livelihood Catastrophe Caused by Covid-19 Pandemic

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Abstract

The corona virus disease (COVID-19) has thrown livelihoods out of gear, and is pushing rural households in a downward spiral of poverty. In India, the first wave of covid robbed the urban poor off their livelihoods and income; the second wave has penetrated the rural areas damaging livelihoods; and by the time the third wave broke, fortunately most Indians had vaccinated and safe. Measures taken to normalise the covid curve - such as lockdown and travel restrictions - aim at saving lives, while degenerating livelihoods and income of the poor. The Government of India, and the State governments are in a tight spot for lockdown is predisposed with such outcomes that the State has to accept 'and work with'. In order to recover and diversify livelihoods, the State has to put in place strategies for regenerating rural livelihoods. This paper analyses the options available, and how cooperatives can play an instrumental role in such a scenario. The central idea is: interim realignment of various departments of the government for converging development schemes with a view to enabling cash-flow into rural households. This paper unfolds the diligence behind this idea, and draws a road map illustrating how it could happen.

Key Words: Livelihood, Co-operatives, Road map

Introduction

Covid-19 pandemic has put people into the brink of poverty because of two major concerns. It affects 'life' and 'livelihoods'. As development professionals working in the Cooperative Sector, our primary focus is to protect and diversify livelihoods so as to suggest ways for providing sustained means of income to the rural households. At the same, we cannot lose sight of the fact that livelihood question comes only after

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making sure someone remains ‘alive’ in the first place. There is nothing to debate if life is important or livelihoods are important. Obviously, saving lives is immediate. But, it does not mean the livelihood question can wait. We must recognise that if one is immediate, the other is about short to medium-term.

Lives and Livelihoods

The first wave of covid pandemic in India threw many urban poor out of job; to lose income; and robbed them off whatever small savings they might have had. The second wave, as predicted, has been far more damaging than the first one, and penetrated the rural areas as well (Anant Kumar, 2020); and by the time the third wave broke, fortunately most Indians had vaccinated. The damage could be prevented, and to a large extent, bearable. The novel Corona Virus Disease has caused severe livelihood catastrophes in Indian villages, pushing families down the poverty spiral on a daily basis (UNDP, 2020).

In order to ward off the possible damages feared, the State governments announced multiple lockdowns. Lockdown was meant to save lives. Nevertheless, it meant deliberately leaving livelihoods to suffer – assuming that livelihoods would recover once the situation normalised. All these boiled down to make a point that Covid pandemic has thrown rural livelihoods out of gear. Many families in rural areas have been forced into economic hardships. Many ultra-poor families spent years – the hard way - climbing the economic ladder with an aspiration to position themselves as ‘non- poor’, have slipped back to the rock bottom, having to identify themselves as ‘ultra-poor’ once again (Wadhwa, 2020). This situation was devastating hope, lending a note of desperation in everyone’s ordinary conversation almost every day.

In this context, rural cooperatives, as they are primarily economic institutions at the cutting edge level, have a significant edge over several other institutions that are mandated to serve the rural poor. As stated already, for Government of India this is a twin challenge – saving life and livelihoods. Saving life is in the hands of the Ministry of Health and Family Welfare with its network of hospitals, doctors, and paramedical staff and so on. In addition, there is corona health care service provided by private corporate hospitals, NGO and missionary-run hospitals. This paper does not dwell into health care aspect of combating the virus. The discussion here is limited to recovering livelihoods and thus, reviving household economy in rural India.

Clearing up the Livelihoods Perplexity

The challenge of securing, promoting and diversifying livelihoods remains in the hands of Ministry of Agriculture, Cooperation and Farmers Welfare, under which we have plenty of ICAR Institutions, and various types of cooperative institutions. The second important player here is Ministry of Rural Development along with the Ministry of Panchayati Raj. Together they implement the largest wage employment programme in India called Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), besides National Rural Livelihoods Mission (NRLM) that directly works with State Rural Livelihood Mission (SRLMs) promoting and supporting Self-Help Groups. All these institutions have their reach up to village level. Some of these schemes operate through respective line departments or through network of cooperative institutions. And others operate through Panchayati Raj Institutions (PRIs) (Gayathri Vasudevan, 2020).

These ministries and departments are well-positioned to engage in a combat that can provide the immunity and resilience for recovering / diversifying rural livelihoods damaged by covid. We can draw an analogy to illustrate / clarify the point. It is said that the strength and strategy of corona virus is in its ability to 'mutate'. It is *this* characteristic of this virus that render doctors perplexed being unable neither to deduct it nor to prescribe a treatment procedure. Mutation essentially means *structural alteration*. Tackling corona virus also requires such structural alteration and rearrangement amongst various departments of the government. This is the critical antidote we need to formulate (Biberman, 2020).

Cooperatives and PRIs at the centre of our Strategy

Institutional linkage and programme convergence should serve as the chakra vyugam⁸ of the Government of India, where the main weapon put to use will be 'cooperatives' working through Panchayati Raj Institutions (PRIs) and Self Help Groups (SHGs) at the grassroots level (Anwasha Dutta, 2020). In fact, the war against corona virus is the next Mahabharath War happening in 'real' India. Mahabharath war was an epic tale. Corona virus is a 'real story' India is reeling under. To win over by defeating the corona virus requires a war time strategy.

This is no less than a war – a war against an unknown, unseen epidemic that play havoc on people’s lives, livelihoods and confidence levels. This is perhaps, the other side of globalization – the unseen side of it, which otherwise was told to us that it spreads wealth across countries and continents (Friedman, 2007). The new lesson now is that so much so, it spreads impairment as well. Whether globalization could spread wealth or made way for wealth to concentrate in the hands of a few in every country is being debated (Stiglitz, 2007). But, covid has proved beyond doubt that it respects equality. It spares none. It hurts everyone. It knows no country, no religion, whether someone is rich or poor. Having said that possibly, here again, the poor could be more vulnerable because they have nothing in their store to keep themselves locked down for long. They have to break the lock down in search of jobs and income. Thus, they expose themselves to the risk of being infected, and causing the spread to go on at mass community level (Wadhwa, 2020).

¹ chakra vyugam is a uniquely designed war strategy supposed to have been used in the war of Kurukshetra, narrated in an Indian epic tale called Mahanharath. This is popular in Indian mythology.

Therefore, amongst the options at sight, institutional and scheme convergence seems to be the prudent grand design (Monika Chaudhary, 2020). For this to happen, those who have been working in departmental silos, have to rub elbows, and associate in order to devise a common strategy to save rural livelihoods and thus to save India from the onslaught of this virus.

The Convergence

The following is a list of prospective departments and schemes that can converge in order to protect rural livelihoods, and to provide the diversification and enhancement required at this time. The first few suggestions pertain to ‘saving lives’, and the subsequent ones relate to ‘livelihoods’. This strategy takes a stand that when it comes to addressing the question of ‘livelihoods’, it is sensible to think that we are not alone – meaning there are many institutions of the Government of India we can rope in for support, and convergence (Biberman, 2020). First we begin with a few life saving measures because only when life is protected, livelihoods thrive, and incomes flow. Here is the list.

1. **Covid Appropriate Behaviour:** Inappropriate behaviour of people (crowding, not wearing mask properly, habit of spitting) in most places defeats the purpose of lockdown. The Gram Panchayats must be alert enough to see that Covid protocol is followed in ration shops, local private shops, MGNREGS work spots etc. The GPs can prepare a roster of volunteers including Panchayat functionaries, and SHG women in such a way that on rotation they go round cautioning people wherever they find the Covid protocol is not adhered to.

2. **Covid Communication:** A ringtone in telephones with the same message has become a laughing stock and theme for memes. It must be done away with or replaced with shorter messages that are more powerful. The communication strategy of the State must keep changing following different approaches such as informing, persuading, influencing, nudging the non-adopters, shaming the violators etc. Stereotyped messages tend to fall in deaf ears. Considering the misinformation, and playfulness that social media such as whatsapp mill, the message designers must bear in mind that *no* communication strategy will be impactful for a period more than a fortnight. Let our covid communication take note of this principle. The crux of the above matter is that the State should continue to focus on covid appropriate behaviour change communication, while at the same time ensuring availability of vaccines for all at the earliest.

3. **The Package of Essential Commodities:** The Department of Civil Supplies that provide essential commodities through the PDS Shops should revisit the items that are sold through such shops. Arrange to sell items that are high-protein, and fibre-rich such as moongdal, lentils, legumes, chickpeas etc. Portability of ration cards for the poor to be able to use it anywhere in India, irrespective of the state one belongs to, must come into force at the earliest in all states.

4. **Universal Basic Minimum Income:** Some countries (Canada, Mangolia, Brazil, and Iran) have tried 'Universal Basic Minimum Income' (BMI) to the poorer households. This is direct money transfer to the poor. This goes with the philosophy: 'give the people money, let them decide how they will use it' (Standing, 2017). But in India MGNREGS can be viewed as an equivalent of BMI. In other words, MGNREGS is the Indian version of BMI. MGNREGS works must continue, following social distancing with arrangements for handwashing facilities (preferably with liquid soap) near the work site. Additional works must be identified under MGNREGS so as to enhance the cash flow into poorer households. MGNREGS is one

important enabler of cash circulation in rural areas. The full allocation must be made use of at village level, for the benefit of the card holders.

5. Self-Help Groups: We are fully aware now that the idea of cooperation is operationalised in several different versions for more than two decades now. They include Self Help Groups; Micro Credit Institutions; Farmer Producer Organisations; Artisans' Guild or Common Facility Centre and so on. All these essentially stand on cooperative instinct of man. For operational convenience the members who come together register under various acts of the government. The basic tenet is 'cooperation'.

The National Rural Livelihoods Mission (NRLM) through various State RLMs is nurturing, and supporting the SHGs for various economic support programmes. SHGs linked with banks, have become one of the important sources of cash flow into rural households, enabling money circulation in rural areas.

It's time SRLMs in various states intensify their work, and come out with innovative small business ideas tapping the opportunities brought about by covid. It is true Covid has opened up opportunities for manufacturers of digital goods; online markets and online education platforms; and for pharmaceutical industries. We cannot deny the fact that it has opened up opportunities for many small business opportunities as well, if only we recognise them.

6. Small Business in Fresh Herbs, Herbal products, Fruits and Vegetables: Covid has shot up the demand for several herbs, fruits and vegetables. There is high demand for herbs such as mint, coriander (to use as leaves or as seeds) lemon, ginger, dry dinger, pepper, turmeric, tulsi, amla, garlic, moringa leaf and drum sticks, and also for medicinal herbs such as ashwaganta, triphala etc. The Cooperative Department along with State Medicinal Plants Board must arrange to liberally supply seeds and planting materials of these medicinal plants and herbs. Cultivating these, or buying and selling these items can become a livelihood diversification activity for rural people, which can happen through SHGs and cooperatives.

7. Small Business for the Landless: Those who are landless can buy items such as ginger, garlic, pepper, locally grown vegetables, fruits etc. from rural cultivators and sell in the nearby towns. Buy fruits either from growers or from wholesalers / Farmer Producer Organisations and sell at retail in the nearby town. For purposes

such as these, the SRLMs must take it as a drive to promote micro lending through SHGs. It must be strictly loan with cheap rate of interest, and not a grant.

8. **Social Development Activity of Cooperative:** We cannot predict that with a second wave or third wave we shall be done away with this pandemic. Two important lessons covid has taught us are: (i) handwashing with soap; and (ii) oxygen is important for life, and that it is very expensive. There are many Indian tree species said to be producing the highest amount of oxygen. They include Peepal tree, Banyan tree, Neem, Ashok tree, Jamun etc. The time now is very appropriate for the cooperatives and PRIs to join hands with the Forestry Department to promote the idea of tree planting in common lands and in private lands.

They must develop seeds /planting materials, as well as social marketing strategies with convincing slogans for making it a success. The slogan must connect with covid and our sustainable future. They must arrange to supply the necessary planting materials. The Forestry Department can join hands with SHGs and MGNREGS workers in Gram Panchayats to carry it out. This goes a long way addressing many problems such as (i) instantly generating additional works under MGNREGS for bed-making, nursery raising, planting and watering of trees; (ii) improve green cover and addressing climate change etc. The time now is appropriate to make people understand trees and oxygen. This is an opportunity for cooperatives to venture into social development activities.

9. **The Poultry development** centres of ICAR Institutions promote egg-laying hens and country chickens as a livelihood promotion / diversification. Their reach can be very high, if they join hands with cooperatives / SHGs. Chicken is rich in protein, and eggs are rich in protein and zinc. People who rear it will obviously sell eggs for an income, and also inculcate the habit of adding eggs to their food basket. This can kill two birds in one shot, meaning it helps livelihoods diversification, as well as boosts immunity levels of people.

10. **Horticulture Crops:** The Department of Horticulture must promote kitchen garden by supplying seeds for Horticulture crops or engage MGNRES workers in raising nurseries for papaya, guavas, watermelons,

lemons etc. And moringa can be added to this list. MGNREGS at GPs can be a connecting point for this. It must go into the shelf of work of every Gram Panchayat. We can encourage the GPs to take up a campaign for every house to plant 'one papaya and one moringa tree'. Here again the idea is boosting family immunity in order to combat corona virus, the simple way.

11. Make the Convergence Possibilities Known: The Cooperative Education and Training Institutions must prepare several tiny book-lets on **convergence possibilities** in consultation with several ICAR Institutions such as Institutes of Rice Research, Institutes of Pulses Research, Institutes of Oil seeds research, Horticulture Research, Maize Research, Poultry Research Stations etc. It can help come out with 'Ideas for Livelihoods Diversification through Convergence Possibilities'. This will help cooperatives connect several dots leading to impactful work during this pandemic. Almost all the ICAR Institutions will happily collaborate because they are also lost and do not know how they can contribute during this pandemic time. The cooperative training institutions must take up this exercise and come out with communication materials showing the world of opportunities available for the rural poor. They can suggest to the respective state governments appropriate policy prescriptions that can facilitate such livelihood resilience / diversification activities as well.

12. Prepare a Tentative Road Map: To begin with and to get connected, the respective state cooperative banks must take the initiative and invite online the Heads of all ICAR institutions and the State Department of Rural Development and Panchayati Raj for a hour-long discussion on how these departments and research centres can come together to mitigate the onslaught, and provide the rural communities the support they require, with a view to protecting the existing livelihoods, and to diversify livelihood activities for better resilience. This discussion must provide a tentative roadmap / actionable points.

13. Timelines and Expected Outcome: This is a war time preparation we are discussing about. There is no time to allow things to cool down. Allowing a cooling time shall push down several vulnerable poor into a bottomless hole. Therefore, based on the ideas put forth by the Heads of these Departments, and after identifying / recognising the resourcefulness and relevance of their work, we can decide the further course of action –

one of which can be preparing a clear road map with timelines and expected outcomes (WHO, 2020). This will focus mainly on convergence with various types of cooperatives / SHGs and with each domain of various ICAR Institutions and MoRD Programmes; and secondly, initiating action roping in the relevant line departments – and respective cooperatives in the lead.

Conclusion

By way of conclusion, it is appropriate to put across here that the ideas generated above are not sporadic thoughts listed out. There is a theoretical underpinning and certain basic premise behind these ideas. One of them is without livelihoods (and incomes) life cannot sustain for long. For this to happen the foremost thing is enable cash flow into rural households.

In other words, strengthen household economy by enabling cash flow into rural households. If you can carefully revisit the ideas given above, you can recognise that in every point raised above there is an element of cash flow into households, or building the immunity levels of the poor through supplementary nutrition, or they are involved in smallholder cultivation or small business ventures that serve the purpose of earning an income, while at the same time serving the larger interest of addressing the pandemic.

Given the nature of problem Covid is, no single Ministry or single Department or single Institution can weed it out. It demands a joint effort through converging schemes, funds and expertise (Upmish Singh, 2021). It is about responsible well-being, and welfare of all, which in other words is the ‘concept of cooperation’. Secondly, given that this pandemic is global in presence, we cannot be safe until everyone else is safe. Every one of us must realise that being able to tackle this invisible enemy is in our collective behaviour as a cooperative species. We cannot breathe peace until everyone else is at peace.

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