

Note for Record
Visit to India (Andhra Pradesh)
March 16-21, 2005

By: Shoaib Sultan Khan
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Subject: SAPAP MANDALS/SERP

On the invitation of Mr. K. Raju, Principal Secretary to the Government of Andhra Pradesh (AP) in the Department of Rural Development [formerly the National Project Coordinator (NPC) of the UNDP assisted South Asia Poverty Alleviation Programme (SAPAP) in India], I visited the SAPAP Mandals in the districts of Kurnool and Anantapur and participated in a two-day workshop of the District Programme Managers (DPMs) of the Society for Elimination of Rural Poverty (SERP) which had been set up by the AP Government to replicate SAPAP initially in 6 districts and subsequently in all the 22 districts of the State.

SAPAP, initiated by UNDP, to demonstrate to South Asian Governments of Bangladesh, India, Maldives, Nepal, Pakistan and Sri Lanka to operationalise the overarching recommendation of the South Asian Independent Commission on Poverty Alleviation that Social Mobilisation should be the centerpiece of all poverty alleviation strategies of the governments in South Asia. The recommendation had been endorsed at the highest political level, namely, by the SAARC Summit held at Dhaka in April 1993.

The SAPAP demonstration area in India comprised 20 Mandals in three districts of AP where work was started in 1995 and continued till end 2000 under the aegis of SAPAP and thereafter was overseen by SERP. I visited 3 of those 20 Mandals.

The achievements of the mobilized communities have to be seen to be believed. On an average, each Mandal has a population of about 10,000 households comprising 5 members each and about 50% of these households were below the poverty line many in abject poverty. My experience in AKRSP had demonstrated that unless you reach each and every poor household through the process of social mobilisation, the poor do not come out of poverty.

In SAPAP Mandals, 99% of the poor households have been organised initially in Self-help Groups (SHGs) of around 15 members each and the organised SHGs have been linked to each other by formation of a Village Organisation (VO) at village level with two representatives from each SHG and in turn the VOs have been federated at Mandal level again with two representatives from each VO into a Mahila Mandal Samakhya (MMS). On an average, there are around 450 SHGs, about 30-40 VOs in each Mandal with an approximate membership of 5,000 households.

Thus the SAPAP Mandals have successfully demonstrated that the poor even the poorest are most willing to get organised to unleash their potential to help themselves to get out of poverty.

The Government of Andhra Pradesh encouraged by SAPAP demonstration and assisted by the World Bank, has initiated Social Mobilisation (SM) process in all the 22 districts of the State to mobilize 6 million poor families in 1100 Mandals. The process is under implementation at various stages in about 950 Mandals.

The second prerequisite of a successful SM process is fostering a cadre of social activists to manage SHGs/VOs/MMS supported by another large cadre of service providers from amongst the poor themselves. This is the Social Capital of the community especially the Social Activists. In case of SAPAP Mandals, I found an unbelievable pool of Social Activists almost two per SHG, 50-80 per VO and 60-80 per MMS. In all a pool of nearly 600-800 Social Activists per Mandal complemented by around 600 service providers including book-keepers, paramedics, daycare centre workers, agriculture and livestock specialists, community volunteers and community coordinators have been fostered.

Thus the SAPAP Mandals have again successfully validated the assumption that there is no dearth of Social Capital amongst the poor be it formation of SHGs/VOs/MMS or fostering of social activists or training a cadre of service providers.

The SAPAP conceptual package comprised three essentials i.e. (i) willingness of the poor to organise to unleash their potential; (ii) identification and presence of honest and competent social activists and service providers from amongst the poor and (iii) a sensitive support organisation to provide social guidance to the poor to do (i) and (ii).

SAPAP professional team under the dynamic and sensitive leadership of Raju demonstrated in the 20 SAPAP Mandals that if the three essentials are brought together by a programme, the poor do get out of the poverty trap.

In my interactions with SHG/VO/MMS members, I found an amazing array of activities undertaken and unbelievable economic gains achieved by not a few members but the entire SHG and again not only a few SHGs but almost all the SHGs depending on their level of maturity. On an average, all 7-year old SHGs had come out of poverty with each member of the SHG in many cases having accessed no more than Rs. 500 as first loan, had now cumulatively accessed individually around Rs. 100,000 in doses of upto 16-20 loans.

They had most heartwarming stories to tell. Whereas 7 years back, they had not enough for even two square meals, poor housing, no electricity, children out of school, hardly any clothes worth the name, frequent bouts and episodes of illnesses, no linkages with outside agencies such as Mandal and District government departments, banks and other development agencies, no voice and not much respect in the eyes of their own men folk. Today they had to a large measure made substantial progress in all the fields. A recently completed Ph.D. thesis undertaken by Dr. Sarah on SAPAP Mandals bore testimony to all these claims being made by SHG/VO/MMS members.

Amongst the many accounts I heard on my visit everyone of which touched me greatly, I had chosen a few to narrate here.

Rajeshma initially refused to join the SHG because she could not manage even two meals a day what to say of savings. Her health was so bad she thought of putting her children in the orphanage. Her husband did day labour or vegetable vending whenever he could manage. She even offered her children for adoption. She was illiterate and uneducated and felt she could do nothing. The MMS persuaded her to join the SHG. The SHG gave her a loan of Rs. 1,000 to start a business of making leaf-plates which she sold at the rate of 25 for Rs. 10.00. She needed the money for her medicines. Next she borrowed Rs. 4,000 and started a petty shop and also learnt

screen printing. Thereafter she borrowed Rs. 10,000 to start a screen printing business. Her son got a seat in a residential school with the help of SHG. There was a time when the whole family used to contemplate committing suicide. Next she borrowed Rs. 15,000 for mineral water dealership. She took a plot of land on lease for Rs. 6,000 and grew medicinal plants. She got a house under the government's housing programme with SHG intercession. Her husband who was literate, secured the job of a book-keeper with SHG. Her daughter is studying in class eighth and wants to become an engineer. When Rajeshma narrated her story, her eyes had a sparkle and a smile on her face as if she had been transported from a world of misery to a world of contentment.

Speaking to an SHG when I quizzed the 15 members as to in specific terms how their condition has improved. They gave three examples that each one of them have much better housing, electricity in every home which none had prior to formation of SHG and TV in every house except one. When I berated the group why they have allowed one of their members to be left behind, the member in question retorted that she has enough to buy a TV but her children are small and she doesn't want a TV in the house. The others were forced to have TV because their children would otherwise go to neighbour's house to watch TV. This reminded me of Nobel Laureate Amritya Sen's Development as Freedom theory and how this was being practiced by a member of the SHG.

These are not a few and far between stories. The 100,000 households of 20 Mandals with which SAPAP worked have all such experiences to narrate. In Kurnool district, the State Government through SERP is now attempting to replicate the SAPAP experience and has formed 22,000 SHGs with 300,000 households, 1,000 VOs and 46 MMSs. A similar effort is being made in Anantapur district.

However, the most heartening achievement of SAPAP has been the formation of financially viable community support organisations at SHG/VO/Mandal level. Each one of these components of the grassroots institutional framework have service providers especially book-keepers, accountants, animators and community coordinators who are employees of respective SHG/VO/MMS and paid by them. On an average, an SHG is earning Rs. 12,000 a VO, Rs. 30,000 an MMS and Rs. 60,000 per month as interest earnings from credit operations and seed capital.

What SAPAP in India has achieved is true sustainable development. It has validated all the three assumptions on which SAPAP strategy of development was based, namely willingness and potential in the poorest of the poor to help themselves to come out of poverty; presence of honest and competent social activists within the community and setting up a committed and dedicated support organisation of professionals to provide social guidance to the poor how to organise to unleash their potential and how to identify the social capital of the community to foster a cadre of honest and competent social activists and service providers from within the community.

SAPAP Mandals in India offer to the rest of Andhra Pradesh albeit the whole of South Asia how poorest of the poor can be helped to come out of poverty. When in my meeting with ex-Chief Minister of Andhra Pradesh Chandrababu Naidu, he asked me how does one reduce poverty as even reaching 7-8% growth rate did not do it. I urged him to visit SAPAP Mandals and not to be carried away by campaign modes whereby 5.5 million women were organised and Rs. 1800 crores generated as savings capital without regard to the social mobilisation process which took 7 years in SAPAP Mandals to mature. He asked me innocently can't this process be accomplished in a shorter time

frame. I assured him that what SAPAP Mandals achieved in 7 years, is no less than a miracle. Even the Millennium Development Goals set by the UN expect to achieve 50% reduction in poverty in a span of 15 years. What SAPAP Mandals have achieved in 7 years is far beyond that goal.

After the field visit, I spent two days in a workshop on Institution Building attended by District Programme Managers (Institution Building) from the whole of Andhra Pradesh comprising 22 districts. The Principal Secretary Mr. K. Raju and the CEO SERP Mr. Vijay Kumar along with SERP HQs professionals also participated in the workshop.

The objectives of the workshop were enhancing knowledge of DPMs relating to institution building process, importance of promotion of social capital, preparation of household investment plans, role of community support organisations and SERP and the core values comprising the corporate culture of SERP.

Apparently due to political compulsion to accelerate the process of social mobilisation in replication of SAPAP approach, SERP lost its focus on Institution Building for harnessing the potential of the poor to help themselves to come out of poverty. This resulted in formation of SHGs without adequate nurturing, little attention to fostering of social capital especially social activists and insufficient quality time for institution building by SERP professionals due to pressure of meeting targets not based on household investment plans especially credit targets.

The workshop took up these issues in depth and following clarifications were discussed:

SERP Niche and Mission: In the presence of existing service delivery departments of the State Government, commercial banks, private sector development agencies and international donors, SERP on the basis of SAPAP demonstrations in 20 Mandals, was set up to harness the potential of the poor by organizing them and fostering a cadre of social activists and service providers from amongst the poor and facilitating implementation of the Investment Plan of the SHGs/VOs/MMS on the basis of their identified potential. It is only this focus and mission which distinguishes SERP from the functions and approach of other departments. SERP is not a service delivery agency, it creates an institutional framework at the grassroots to enable all service delivery agencies to deliver their services and supplies effectively. In short, it fosters a receiving mechanism for the poor to be able to access the services and supplies meant for them.

Social Capital: SERP has to foster social capital of three categories (i) organised SHGs; (ii) social activists as Managers of SHGs and (iii) service providers. Experiment has shown that behind every successful SHG/VO/MMS are the Social Activists. They are the backbone and the jewels of the organised groups. The success of DPMs entirely depends on fostering a cadre of honest and competent Social Activists. There can be no substitute for this cadre.

Process vs Targeted or Blue Print Approach: SERP has to follow a process approach if it aims at fulfilling its mission. A targeted approach would be a disaster. Targets can only be based on Investment Plans. Without preparation of Investment Plans, setting of targets would be unrealistic and impractical. The process approach has the following sequencing:

- (a) Organising of the poor on their willingness to harness their potential to help themselves;
- (b) Fostering a cadre of Social Activists from amongst the organised SHGs and
- (c) Preparation of an Investment Plan by organised SHGs at household level as a portfolio of opportunities, followed by a portfolio of projects of clustered SHGs at VO level leading to a Mandal Plan of federated VOs as Mahila Mandal Samakhya.

It is only when SHGs have been formed and matured that they would be in a position to set the targets for themselves depending on the capacity of each SHG and the same process would be followed by VO/MMS. Burdening them with targets and activities beyond their capacity, would result in failure.

Micro-finance, Credit and Savings: This is the most important activity of SHG which gave SAPAP Mandals the ability to form financially viable community support organisations, namely VO/MMS. But it took SHGs in SAPAP Mandals considerable period of time during which SHGs got matured, Social Activists got trained and Service Providers emerged. But here sequencing is very critical. Without fostering of the institutional framework, SERP should not take responsibility of delivering government departmental services and supplies. In fact SERP should only act as a facilitator in linking up government departments with SHG/VO/MMS and helping in establishing a direct relationship between the two. If SERP does not follow this route, it would be overwhelmed and get derailed from its mandate and mission.

This is a very important function of SERP and if it succeeds in linking up government services and supplies directly with SHGs/VOs/MMSs, it would make the greatest difference in the lives of the poor and in improving their standard of living. But SERP, at every cost must avoid the temptation of substituting its staff with government delivery functionaries. The government delivery functionaries can only be substituted by SHGs/VOs/MMS, hence SERP should make every effort to facilitate linking the two.

Once SERP has nurtured mature SHG/VO/MMS, the main function and focus of SERP should be (a) acting as facilitators and lobbyists between community institutions and government departments, banks and other service providers; (b) providing Technological Packages to community organisations after they had exhausted and fully availed their identified opportunities and potential and (c) acting as watch dogs so that the interests of poorest are always receiving due attention and consideration from SHGs/VOs/MMSs.

Conclusion

Andhra Pradesh is on the verge of breaking the shackles of poverty if it follows the proven path demonstrated by SAPAP Mandals. There is no dearth of willingness on the part of the poor to come out of poverty, there is abundant presence of Social Activists and Service Providers within the communities and there is no scarcity of dedicated and committed professionals to become part of

the sensitive support organisations at Mandal/District/State level to implement the genuine process approach of social mobilisation.

In Raju, I found the dynamism and commitment to accomplish the mission ably supported by Vijay Kumar, Jagananath, Usha, Suvarna, Nibeditha, Raghu, Gopi, Venkatram, Hari and many more whom I could not meet. It was refreshing to meet the DPMs who are rearing to cover the path of social mobilisation if given the direction and support of what I have no doubt with Raju and Vijay Kumar at the helm of affairs.

I am grateful to Raju for inviting me. It was an exhilarating experience. The hospitality was overwhelming as usual and the love and affection shown by SHGs/VOs/MMSs visited by me was most heartwarming and so it was meeting my old friend Murali.

I am also thankful to Srinath and his colleague who took excellent care of all the logistics.

c.c. Mr. K. Raju, Principal Secretary, Rural Development Department,
Government of Andhra Pradesh, Hyderabad.
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Poverty (SERP), Hyderabad.