

PART II: GENERAL CHARACTERISTICS OF THE COMMUNITY SPIRIT DEVELOPMENT PROJECT II

2.1 THE PROCESS OF ESTABLISHING A RICE OR FERTILIZER BANK

In the case of primarily Christian villages, initiation of action to establish a rice or fertilizer bank is the responsibility of the villagers who hold initial meetings to define suggested village goals and then contact regional Christian leaders (၂၈၈). These goals are then submitted to the CSDP office in Chiang Mai through the field extension workers. In the case of non-Christian villages, the CSDP staff are usually the initial contact point, encouraging villages to consider rice or fertilizer banks. CSDP staff then perform an on-site evaluation to determine the feasibility of the project and to verify the willingness of the people in the village to participate. The entire process, from initial inquiry to beginning of bank operation/training required approximately 3-4 months.

Villages may establish either a fertilizer or a rice bank, but not both, in any given year. The village may request a second bank the following or later year, but only one village has done so to date.

2.2 GENERAL CHARACTERISTICS OF THE RICE AND FERTILIZER BANK MEMBERS

Bank members were made up of a general cross-section of villagers in terms of tribal ethnicity, religion and income level. Members of a bank were all residents of that village. Generally, only one member of a household would be a bank member. Rice bank villages were generally less economically well off, and produced few cash crops. Fertilizer bank villages were economically better off, usually already used fertilizer and marketed significant amounts of cash crops.

2.3 OBJECTIVES OF THE RICE AND FERTILIZER BANKS

The rice banks are intended to provide a supplemental source of rice for home consumption for households which are, for some reason, not able to produce enough rice to eat in a given year. For example, in some years drought, insect pests, disease or other natural disaster will reduce rice yields; the rice bank helps members families to continue to have a sufficient supply of rice.

Fertilizer banks are intended to provide villagers a source of fertilizer and pesticides for agricultural production at a lower than market price, and also to help them avoid having to borrow funds to purchase fertilizer and pesticides from local money-lenders at high rates of interest which can reach 5% per month or more.

2.4 OPINIONS OF RICE AND FERTILIZER BANK MEMBERS

Rice bank members interviewed universally praised the rice banks for providing a convenient source of rice, the staple food, for households which had experienced difficulty in producing sufficient rice. Their alternatives, without a rice bank, would be to spend much more money travelling to a local market to purchase rice, or, if they had no money, supplement their diet with food normally reserved for pigs such as ground field corn and chopped banana tree stems.

Fertilizer bank members interviewed were pleased to have the banks in their village for two main reasons. First, the banks provided them a convenient source of fertilizer in their village. As most members lacked any form of personal transportation, getting heavy bags of fertilizer to their village was not a simple or inexpensive task. Second, the fertilizer banks allowed members to obtain fertilizer at slightly reduced prices while avoiding the need to borrow money from local money-lenders at interest rates of up to 60% per annum.

2.5 WORKING RULES OF THE RICE AND FERTILIZER BANKS

Although each village has considerable freedom in establishing rules governing operation of rice and fertilizer banks, most villages have variations on the same basic concepts, e.g., election of a committee to manage the bank, payment of a nominal fee to join the bank, establishment of rates of interest for loans from the bank, etc. These rules are described at length in the 1990 CSDP evaluation report prepared by the Payap Research and Development Institute.

2.6 RICE AND FERTILIZER BANK RECORDS AND FINANCIAL SYSTEMS

Each bank had an elected committee treasurer who was responsible for maintaining the records of all bank activities including loans of rice/fertilizer and repayment of those loans. In villages where the amount of money involved was substantial (in the thousands of baht or more) the committee usually established an account with a local savings bank. In nearly all villages, rice/fertilizer bank records were open for review by any bank member. In not a few cases, however, villagers were either unable to read the accounts due to illiteracy or for other reasons chose not to review those records. CSDP field workers were charged with periodically checking bank records and assisting villagers to correct deficiencies during their monthly visits.

2.7 CSDP PROJECT STAFF

The CSDP staff consists of an expatriate project advisor, a project manager (who has been with the project for four years), four field extension workers (each of whom has been with the project since its inception) and a secretary. All field staff and the project manager were members of tribal groups.

Each field extension worker was responsible for 12 to 13 villages. In most cases, the field extension worker spoke the language of the villages for which he was responsible. Field extension workers attended monthly meetings at project headquarters in Chiang Mai where they each made their own plans for the 20 days per month they were in the project areas visiting project villages.

2.8 FACTORS WHICH DETERMINE THE SUCCESS OR FAILURE OF RICE AND FERTILIZER BANKS

Several factors had an impact on the degree of success or failure of rice and fertilizer banks. Among those factors were the degree of economic/financial experience and understanding of the villagers: those with a long history of commercial agriculture fared better than those villages which were just transitioning from essentially subsistence agriculture.

Another factor was the degree of community spirit in the village. In those villages where the residents were able to work together well for a common goal, the banks were much more successful than in those villages where the residents tended to be more fractious.

Although being a Christian village did tend to teach villagers basic concepts of helping one another and working together for a common goal, Christianity in and of itself did not seem to guarantee success of the rice and fertilizer banks. However, active local church leaders in project villages appeared to provide much valuable assistance, both practical and spiritual.