

A Critical view on the downside of Rubber Producer's Societies in Kerala

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A million small scale farmers have been cultivating rubber which is a perennial crop with an economic life of 30 years. Recurring spells of low rubber price place them in tremendous financial crisis. Fluctuations in international and national market prices of rubber and steady decline in rubber prices for the last one decade coupled with price manipulations by rubber industrial cartels, especially the tyre companies, have driven the small scale cultivators to the verge of suicide. The tyre companies want the price of natural rubber to be kept at a very low level. To control prices during the lean production season, the industrialists collect bulk quantity of rubber during the peak production season and keep it in their godowns as reserve for the off-season that ensures them constant rubber supply and a hold on the market (rubber) prices. At the villages traders and middle men exploit small scale farmers without giving them the prevailing market price for the RSS sheets and Scrap rubber. Rubber farmers also have problems relating to shortage of technological know-how, skilled workers, low cost land for cultivation, grass roots level professional help for cultivation and processing of rubber, modern agricultural implements and effluent treatment facility.

Need of the study

Of the 2916 Rubber Producer's Societies (RPS), only a few are working efficiently and a large number of them have to improve significantly if they are to be of service to the

growers. A number of issues affecting the working of RPS have to be sorted out with a view to help the RPS to become stronger in rendering various types of services to the member growers. The RPS should be instrumental in assessing the local situation in order to identify the felt needs of small growers at the grass root level and also to develop strategies accordingly. A number of strategies and activities have to be designed to enhance the efficiency and affectivity of RPS which is considered to be the most potent weapon to fight against various evils which hinder the growth and development of rubber plantation industry in Kerala. A research study about RPS is considered to be a right step in the proper direction at the right time especially in the era of globalization. Despite the many favourable and accepted level of activity performed by RPS, it is not free from criticism. When compared to the past glory of its inception, facts and figures pointed out the reality that RPSs in Kerala are also suffering certain budding problems. In this milieu, an attempt has been done by the researcher to exam the various drawbacks of RPS. Discriminant analysis was performed to examine the drawbacks. Hence one objective was also introduced.

Objective of the study

Objective: - To identify and discriminate the drawbacks of RPSs in Kerala.

Hypothesis of the study

Hypothesis (Ho):- There is no significant difference on the member's opinion on the drawbacks of RPSs.

Methodology of the study

The present study has been designed as a sample survey method where the respondents are members of RPSs in Kerala. In the present study the entire respondents groups are classified

into three categories, namely President, Vice President and Board of Directors of RPS. Primary data is the main data collected from primary source used for evaluating the current research problem. Accordingly, the researcher selected Kollam and Pathanamthitta as the sample districts of Southern Region, Kottayam and Ernakulam from Central Region and Kannur and Kasaragod revenue districts are included in the Northern Region of Kerala. The sampling method adopted by the researcher for the present study is systematic sampling.

Analysis and Interpretation

Table 1.1

Drawback of Rubber producers' Society

Drawbacks of Rubber producers' Society	President		Vice president		Board member	
	Mean	SD	Mean	SD	Mean	SD
Inability to meet customer satisfaction	1.887	1.4141	2.233	1.6768	1.738	1.2605
RPS offer less price	1.549	0.9533	1.688	1.112	1.391	0.6606
Settlement of Account	1.975	1.0813	2.309	1.2578	1.88	1.0309
Arbitrary reduction in price / weight	1.52	0.7963	1.864	1.3559	1.492	0.6649
Long distance	2.417	1.0633	2.591	1.1509	2.372	0.946
Less Storage facility	2.975	1.7173	3.142	1.6924	2.631	1.6515
Lack of supply of farm inputs	2.812	1.4194	2.936	1.5803	2.763	1.3526
Lack of marketing assistance	2.599	1.2893	2.976	1.4709	2.517	1.1748
Lack of Technology transfer	2.636	1.2103	2.706	1.5063	2.609	1.2036
Lack of skill development programme	2.708	1.1381	2.552	1.3812	2.702	1.0154
Marketing of all produce of NR	1.878	0.9684	2.388	1.4756	1.757	0.8422
Inaccuracy in DRC	1.602	0.9655	1.861	1.2735	1.412	0.7174
Lack of supply of Hybrid plants	2.718	1.4282	3.452	1.5196	2.788	1.4211
Lack of quality improvement support	2.984	1.1748	3.288	1.2925	2.954	1.1971
Lack of financial support for planting	3.26	1.4268	4.264	1.1082	3.191	1.4166

Lack of infrastructural facility	2.715	1.3353	2.873	1.3933	2.791	1.2931
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Source: Primary Data

It is interesting to note that the respondents of the present study President, Vice president and Board members could not identify any serious drawback of the RPS, except the sub statement Lack of financial support for planting, which is found to be high as per the opinion of the respondents. This implies the fact that the presence of RPS in the Rubber cultivation is essential. Still it can offer and cater the diversified needs of the Rubber farmers.

Table 1.2

Eigenvalue -Drawbacks of Rubber producers' Society

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	.401 ^a	92.5	92.5	.535
a. First 2 canonical discriminant functions were used in the analysis.				

Source: Primary Data

The canonical correlation coefficient of the drawbacks identified is 0.535, shows there is moderate correlation among the variables under study.

Figure 1.1

Draw backs of RPSs in Kerala

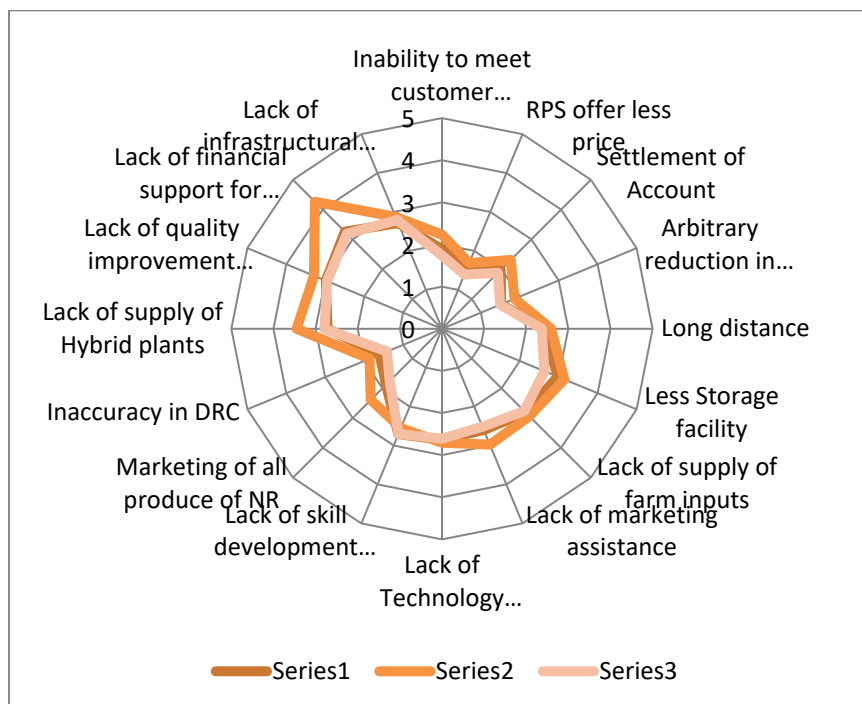


Table 1.3

Standardized Canonical Discriminant Function Coefficients -Drawbacks of RPS

Drawbacks	Function		
	President	Vice president	Board member
Inability to meet customer satisfaction	--	--	-.511
RPS offer less price	--	--	-.383
Settlement of Account	-.163	--	--
Arbitrary reduction in price / weight	--	.345	--
Long distance	--	--	.454
Less Storage facility	--	--	-1.057
Lack of supply of farm inputs	--	--	.481
Lack of marketing assistance	--	--	.553
Lack of Technology transfer	--	--	-.452
Lack of skill development programme	--	--	.389
Marketing of all produce of NR	--	--	.407
Inaccuracy in DRC	--	--	-.456
Lack of supply of Hybrid plants	--	.418	--
Lack of quality improvement support	--	.142	--
Lack of financial support for planting	--	.776	--
Lack of infrastructural facility	--	--	.495

Source: Primary Data

According to the opinion of the Presidents of RPS the only draw backs they felt from the RPS is the Settlement of Account.

According to the opinion of the Vice presidents of RPS the draw backs they felt from the RPS is the Arbitrary reduction in price / weight, Lack of supply of Hybrid plants, Lack of quality improvement support and Lack of financial support for planting.

According to the opinion of the Board member of RPS the draw backs they felt from the RPS is the Inability to meet customer satisfaction, RPS offer less price, Long distance, Less Storage facility, Lack of supply of farm inputs, Lack of marketing assistance, Lack of Technology transfer, Lack of skill development programme, Marketing of all produce of NR, Inaccuracy in DRC and Lack of infrastructural facility.

Findings and Conclusion:

In the opinion of the Vice presidents of RPS the draw backs they felt from the RPS is the Arbitrary reduction in price / weight, Lack of supply of Hybrid plants, Lack of quality improvement support and Lack of financial support for planting. Board member of RPS the draw backs they felt from the RPS is the Inability to meet customer satisfaction, RPS offer less price, Long distance, Less Storage facility, Lack of supply of farm inputs, Lack of marketing assistance, Lack of Technology transfer, Lack of skill development programme, Marketing of all produce of NR, Inaccuracy in DRC and Lack of infrastructural facility.

Thus it is clear that the role of RPS on various aspects of Rubber cultivation in Kerala needs to be reoriented towards promoting the process of rubber production in the state – especially in the Northern and Southern region. The role played by these RPSs has been partially

successful in the rubber sector. Speedy pace of scientific advancement has revolutionized almost every sphere of social, economic, political and cultural life all across the world. Subsequent radical transformations are perceptible in the way rubber farmers produce, in the way they lessen costs, distribute the produced goods, and anticipation about higher profits. The focal point is on drumming the uncultivated areas and geographical advantage. The support mechanism extended by RPS has made the rubber cultivation into a new dimension. Liberalization of trade restrictions and deregulation of markets have further deepened the association.

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