

## Mahua Banks: an obtuse look at a familiar problem

*By Madhu Ramnath*

In almost all forested regions of the world, rich with various resources and inhabited by indigenous peoples, a class of middlemen has inevitably appeared. These middlemen have usually made a living by buying materials – animal skins and bones, spices, timber and other plant products – from the local people and selling them in other places. Nothing really wrong with buying and selling, at least in the initial stages: the local people receive money for things they have in abundance, and the middlemen make a profit by taking the goods where it is scarce.

The trouble, at least for the indigenous people, seems to start when the goods become scarce in places where they were once abundant. It is also trouble when a nexus of middlemen get together and control the prices that the local people get, or when the middlemen prevent local access to a truly open market. Wherever such circumstances have come to pass, there is the trend of the indigenous people moving out of the region – like the goods that were carted out before them – to eke out a livelihood. Unfortunately, this trend is quite common in many parts of the tropical world. But the loss of cultures and the magical landscapes they figured in go unnoticed in the all-pervading din over oil and the clamour for power.

### **Mahua and Mahua Banks**

It is with the intention to reverse this trend that some indigenous people in Bastar, Chattisgarh, came together and decided to establish a Mahua Bank. To understand its significance, we need to learn what mahua is and what place it holds in indigenous society. Mahua is the name given to the tree *Madhuca longifolia* as well as to the flowers and the drink distilled from them. The mahua drink, which has been much abused, is traditionally used in all social and religious occasions throughout Bastar. It is consumed throughout the year in most indigenous homes; the flowers, which bloom between late February and early March, are dried and stored for sale as well as for later use. However, the lack of sufficient storage space and the need for money forces most people to sell a large part of what they seasonally gather, despite realising that within a few months they will need to go to the local middlemen, who usually double as moneylenders, to procure more mahua.

The first Mahua Bank was constructed in Kakalura, a Durva village in central Bastar. The Bank's purpose is to buy the mahua within the village itself at the going market rate and store it through the crucial period when the people need money. This mahua was stored and sold back to the people at a marginally higher rate, the small profit considered as "storage fees."

The two boys who managed the Bank were unused to handling large sums of money; in their first year they bought only about Rs 5000 of mahua from the village people. Despite its humble beginning, this first step demonstrated to the people what the advantages and potentials were of such a Bank within the village. They did not have to walk far with their loads in the sun, they were not cheated at the scales, payments were made immediately and, most importantly, they were treated with respect. In the three years since, the Mahua Bank at Kakalura has now graduated to buying another important NTFP of Bastar: tamarind. Over the last two years tamarind worth about Rs 1,00,000 has been bought, shelled, de-seeded and packed within the village, generating some seasonal income and building confidence.

Similar Banks have been established in two other villages though their focus has not been the buying and selling of NTFPs. The Bank in Koleng has become the seed collection centre, while a group of women also deal with limited amounts of mahua. The seeds of various indigenous plant species of plants are grown in nurseries in Kakalura as well as in Kangoli. There is a Bank in Sang Karmari that buys and sells mahua alongside efforts to protect the village's sacred grove, one of the few groves with a large diversity of species. In this manner, a small network of like-minded people has taken up NTFP-related work, through trade, regeneration and conservation of locally important spaces and species.

Though the Mahua Banks have, as yet, focused only on mahua and tamarind, the aim is to gradually increase the number of products. But before this ambition – to increase the range of available forest products for trade – is catered to, it is necessary to put some checks to control haphazard or unsustainable exploitation of resources. In the case of most indigenous communities who continue to live in deep forest areas, many of the traditional customs of forest use are adhered to. It is usually in the areas where the people have lost their forests, or where commercial forces have an overwhelming influence on community lifestyles, that the above mentioned checks are required. If this is not done, the Mahua Banks would be no different from any of the myriad enterprises whose sole aim is instant financial gain.

### **Obstacles**

An early problem that surfaced soon after the first Bank was in operation was the middleman! A couple of them came to Kakalura and made threatening noises at a new buyer but, as they soon found out, the people of the village were undaunted. In fact, a few weeks after the middlemen's visit the Bank in Koleng was opened. Another issue that periodically distracts the "bank managers" is the low level of profit, as much of it is diffused into the village itself through the various processing jobs. To counter this is not easy, especially when the youth concerned are also aspiring to be rich and are within easy

reach of the lucrative NTFP trade!

There are no easy solutions. It is necessary to realise that Mahua Banks, though linked to the trade in NTFPs, are also much, much more. The Bank, despite its commercial front, links the many facets of NTFPs: forests and indigenous peoples, traditional management, sustainability, the dangers of over-exploitation, conservation and regeneration, income generation, local enterprise, etc. For those working in the Mahua Bank this broader scenario, that encompasses not just monetary gain but addresses the possibility of a meaningful future, needs to be gradually unveiled. Perhaps then it will be easier to discern the difference between the World Bank and the Mahua Bank!

Support for setting up the Mahua Bank in Kakalgar was provided by BothEnds, The Netherlands.

**Source:** *No.11, Voices from the Forest (Newsletter of NTFP EP), Philippines*