

Exploring the Challenges Faced by Tibetan Cooperative Societies. A Case Study of West Bengal and Sikkim

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Abstract: *Tibetan cooperative societies have been operating for over half a century playing a crucial role in preserving the socio-cultural fabric of the Tibetan Community. Despite its significant role, research on these societies remains limited. While existing research highlights the contribution and challenges faced by cooperative societies. However, specific experiences of Tibetan cooperative societies have been overlooked. It remains unclear whether the challenges the society faces are similar to those of the general cooperatives or are shaped by unique cultural factors. Therefore, this study aims to identify the challenges faced by the Tibetan Cooperative Society in Sonada (West Bengal) and Ravangla (Sikkim), established in 1966 and 1986 respectively. A qualitative research design was adopted with in-depth interviews and focus group discussions with key stakeholders, providing an in-depth insight into the challenges faced by these cooperative societies. Thematic coding was used to analyze the data, revealing that in addition to the common challenges such as financial, operational, and managerial challenges found in cooperative societies, cultural challenges were notably significant, especially relating to maintaining relationships with the local community, market accessibility, and financial sustainability. Therefore, this study contributes not only to broadening the literature on cooperative societies of marginalized communities but also underscores the importance of targeted interventions to address these challenges to enhance the cooperative society's long-term sustainability.*

Keywords : Case study, Challenges, Qualitative research, Tibetan cooperative society, Tibetan community.

INTRODUCTION

The Tibetan diaspora in India has faced various challenges since their arrival and one of the critical aspects of their survival and integration has been the establishment of Tibetan Cooperative Societies in various regions of Tibetan settlements. These Tibetan cooperative societies have played a vital role in providing economic opportunities, preserving cultural heritage, and fostering sustainable community development among the Tibetan community, making this institution not merely an economic institution but also serve as a platform for cultural preservation and community building.

There are 15 Tibetan cooperative societies operating in India in total. 5 in the North East, 2 in the North, 3 in the Central, and 5 in the South of India. The Federation of Tibetan Co-operatives in India Ltd (FTCI) acts as the central organization overseeing and supporting all Tibetan cooperatives in India. The FTCI was founded and registered under the Multi-State Co-operative Societies Act, 2002.

Cooperative societies are often regarded as the “Third force” complementing big business and Government, which has a major role in economic development Dogarawa (2010). Although Tibetan Cooperative Societies have been operating for over half a century, their contribution towards the betterment of the community and the unique challenges they face remain largely unexplored. Existing research on cooperative societies has examined the contributions and challenges faced by the general cooperatives toward economic development. However, specific experiences of Tibetan cooperative societies, their significance toward their community, and the challenges they face have been overlooked. It remains unclear whether the challenges the society faces are similar to those of the general cooperatives or are shaped by unique cultural factors.

This study aims to fill this gap by identifying the challenges faced by the Tibetan Cooperative Society. By addressing these objectives, the research seeks to provide a deeper understanding of Tibetan cooperatives and their role in their community

LITERATURE REVIEW

The International Cooperative Alliance (ICA), defines a cooperative as “an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and

democratically controlled enterprise.” Cooperative societies worldwide face several recurring challenges that hinder their effectiveness and sustainability. Bretos & Marcuello (2017) emphasizes the difficulties cooperatives encounter in a globalized economy, such as challenges with financial structures, management inefficiencies, and democratic decision-making, which can slow processes and cause internal conflicts. Siddaraju (2012) highlights financial and operational challenges in India, including limited access to capital, regulatory constraints, corruption, and non-performing assets (NPAs) to be primary challenges of cooperatives. Adurayemi (2014) identifies the lack of education, training, and overdependence on external institutions as major obstacles in developing countries. Similarly, Mhembwe & Dube (2017) reveal that cooperatives in Zimbabwe, despite cooperative societies promoting employment and social collaboration, struggle with inadequate financial support, ineffective management, and limited market access. These studies provide valuable insights into the general challenges faced by cooperatives, which can be contextualized to understand the unique operational, financial, managerial, and cultural issues within Tibetan cooperative societies.

METHODOLOGY

This research is a descriptive study and uses a case study for an in-depth and contextual understanding in examining the multifaceted challenges these Tibetan cooperative societies encounter. Two Tibetan cooperative societies were selected based on convenience, Darjeeling Tibetan Refugee Cooperative Collective Farming Society (DTRCCFS), Sonada, Darjeeling, West Bengal, and Kunphenling Tibetan Multi-Purpose Cooperative Society Ltd. in Ravangla, Sikkim. These Cooperative Societies were chosen to provide insights into the various challenges faced by Tibetan cooperatives which serve various purposes, one focusing primarily on farming and the other being a multi-purpose cooperative.

The research used both primary and secondary data as the basis of the study. Primary data collection involved conducting interviews with key members, including the Chairman, Secretary, Shareholders, Accountant, Board of Directors, and staff members. These individuals were selected based on their roles within the cooperatives to ensure a comprehensive understanding of the organizational challenges. The interviews combined structured questions with unstructured, open-ended queries, allowing participants to provide detailed responses and elaborate on issues of importance. In-person interviews were conducted, each lasting 30 to 60 minutes. The data was then analyzed using thematic coding categorizing into themes based on recurring challenges, which helped in identifying common as well as unique challenges faced by the cooperative societies.

Case study area - Darjeeling Tibetan Refugee Cooperative Society in Sonada, Darjeeling, West Bengal, and Kunphenling Tibetan Multi-Purpose Cooperative Society Ltd. in Ravangla, Sikkim

Case I: Darjeeling Tibetan Refugee Cooperative Collective and Farming Society (DTRCCFS) Sonada, Darjeeling, West Bengal.

The Darjeeling Tibetan Cooperative Collective Farming Society (Sonada) is a significant example of a community-driven initiative established in 1966 under the West Bengal

Cooperative Societies Act of 1942, this cooperative was formed to support the Tibetan community in the region. It began with shareholders who contributed by purchasing shares at Rs 2 each. Additionally, external sponsors provided substantial financial assistance, enabling the cooperative to purchase 28 acres of land in Sonada, where they continue their operations and livelihood.

The society engages in several activities to generate revenue some of them including

- Renting out family quarters, restaurants, and shops
- Managing a Guest House.
- Managing a Hostel for students.
- Renting out Community Halls.

The Sonada Cooperative started with income-generating activities such as farming, dairy, and handicrafts. However, over time, interest in these sectors dwindled, prompting the cooperative to explore alternative revenue streams like operating hostels and renting properties, shops, and a community hall. However, these facilities are often provided at a subsidized rate as society prioritizes welfare over profit making. Hence with the limited income generating activities and the closing off of poultry farming and handicraft section their revenue sources have decreased over the years. Therefore, not being able to generate dividends to pay its shareholders. As the Chairman of Sonada Cooperative noted, “We are not able to provide dividends to the shareholders till now,” emphasizing the financial constraints faced by society. The society experiences substantial difficulties in securing external funding while the cooperative is eligible to apply for loans, obtaining loans is a struggle. Even if the loan is granted, the concern about repayment of the loan to future generations is one of the concerns stated by the members of the society.

Under-investment is a significant challenge for society, as a welfare-oriented organization, the society relies on sponsors for funding which limits its ability to grow. Respondents during the focus group discussions acknowledged that under-investment hampers the cooperative's operations. While the Central Tibetan Administration (CTA) provides support when requested, such assistance is typically reserved for exceptional circumstances, ensuring that the cooperative society remains self-sufficient in its day-to-day operations. A shareholder during the interview also stated that “Finance is the major problem in the cooperative”

The cooperative's operational reach is significantly restricted as it primarily serves the Tibetan community within a narrowly defined geographic region. The cooperative follows a structured planning and monitoring process, primarily conducted through its Annual General Meeting (AGM), AGM is held every year where members review past activities, discuss concerns, and set an agenda for the upcoming year. The respondents collectively agreed that the current infrastructure of the cooperative is inadequate to meet its operational needs. Respondents emphasized that enhanced infrastructure such as modern farming tools, expanded hostel facilities, and additional staff quarters would significantly improve the cooperative's capacity to generate revenue and support its members.

A particularly significant challenge identified in this regard is the issue of land encroachment and unlawful

construction. The cooperative is the custodian of a 28-acre of land, originally donated by sponsors to aid the settlement and rehabilitation of Tibetan refugees in Sonada. However, due to the absence of proper fencing and effective land management has resulted in encroachment and unauthorized construction on this property. As the Secretary of the cooperative noted, "Land encroachment threatens the property and livelihood of our members, severely impacting our daily operations and long-term planning."

The cooperative's hiring practices contribute to employment generation within the Tibetan community. However, challenges in management and decision-making persist. Despite the presence of shareholders and a Board of Directors (BOD) to oversee operations, many members lack awareness of the cooperative's internal processes and are reluctant to engage in significant decision-making. Additionally, financial constraints have limited the ability to hire specialized professionals to manage departments effectively, impacting overall efficiency. To address these issues, the cooperative has implemented measures such as regularly sending office bearers to training sessions and workshops to enhance their skills and improve organizational management.

The Sonada Cooperative Society encounters cultural challenges not within its community but in its interactions with neighbouring villages. A significant problem is land encroachment, which has been magnified by a lack of fencing to protect the cooperative's extensive land holdings. This encroachment has led to tensions between the Tibetan community and residents. While fencing could potentially mitigate the issue, society faces financial constraints that hinder the implementation of such measures. Additionally, the cooperative also struggles with a severe water crisis, especially during dry seasons.

Case II: Kunphenling Tibetan Multi-Purpose Cooperative Society Ltd (Ravangla, Sikkim)

Kunphenling Society was established in 1986, and registered under the Sikkim Co-operative Society Act of 1978. Currently, they have 970 members, 07 Board of Directors (BODs), and 05 staff (3 staff in the office, 1 in the shop, and 1 in the crèche section). The society engages in several activities to generate revenue some of them include:

- Operating a consumer shop cum showroom
- Renting out family quarters, restaurants, and shops
- Distribution of Gas Cylinders to shareholders
- Providing Car services
- Managing a Guest house.
- Providing milk to diaries

Before 2019, the society also operated handicraft production and farming activities. However, these activities were discontinued due to continued losses over the years. The main reasons stated by the society's CEO were the aging workforce of weavers, understaffing, and lifestyle changes among the community members, who increasingly opted for other alternative employment opportunities, leading to a decline in interest in traditional trades.

Financial constraints remain a significant challenge in the Society. Although Kunphenling Society operates as a multi-purpose cooperative it does not provide loans to its members as compared to other multipurpose cooperatives. Despite recently being a profitable cooperative it has faced significant challenges in accessing government funding. According to the CEO of the cooperative society, "the society has encountered bureaucratic hurdles when attempting to secure funding compared to that received by other cooperatives"

While sponsorships have supported some projects, the delayed nature of government financial assistance has left members feeling neglected. Nevertheless, through strategic effects, the cooperatives have managed to be profitable in recent years. Hence, with the limited range of income and external support, the cooperative reinvests its profit back into the cooperative to sustain and improve its operations. This reinvestment strategy, while crucial, leaves shareholders to benefit indirectly through improved services but not directly through dividends on their investments.

The cooperative faces several operational challenges primarily tied to its location in Ravangla. Accessibility is a significant challenge especially due to its rural location. The lack of consistent transportation results in employees often having to personally travel to the town to procure necessary items, making access to markets a persistent issue. While Annual General Meetings (AGMs) are typically conducted every year, they have not been held for the past three years. Infrastructure capacity is another area of concern, as the cooperative requires additional funding to expand its facilities. Outdated technology is also a challenge the cooperative struggles with which hampers the efficiency of the society.

The cooperative faces understaffing due to limited financial resources as the accountant of the cooperative society in Ravangla stated that "hiring additional personnel would require higher operational costs", which the organization struggles to meet. Further the CEO of the society added that "the secretary's salary is given by FTCL, the rest has to be managed by society which puts a further burden on the already limited income streams". Despite the challenges, the recruitment process is conducted formally, with thorough background checks to ensure credibility and this recruitment process for various posts in the society also generates employment among the Tibetan community.

There are no significant cultural issues either within the Tibetan community or between the Tibetan community and other cultural groups residing in Ravangla. However, a major concern is the lack of active participation from members during meetings and other cooperative activities. This disengagement impacts the overall functioning and decision-making processes of society.

RESULT

The challenges faced by Tibetan cooperative societies can be categorized into four key areas, financial, operational, managerial, and cultural. While these challenges align with the general challenges faced by cooperatives, the case study of Sonada and Ravangla cooperatives societies highlights unique factors that shape their experiences

1. Financial Challenges

Both cooperatives face significant financial constraints. Sonada's cooperative society is focused more on welfare-oriented activities, such as subsidized services which limits revenue generation and increases reliance on sponsors, which hampers long-term financial independence. The inability to provide dividends to shareholders highlights the society's financial struggles.

In contrast, the cooperative society in Ravangla, despite generating profit for the last few years, struggles with bureaucratic hurdles when securing government funding. The delayed nature of government support has led to dissatisfaction among the members. Furthermore, both cooperatives have minimal reinvestment capabilities, which further restricts their growth and development.

2. Operational Challenge

Operational inefficiencies are prevalent in both societies. Sonada's cooperative suffers from infrastructure challenges, including outdated tools and limited hostel facilities. A major concern is land encroachment, which prevents the cooperative's ability to expand and develop.

Ravangla's rural location poses a critical issue with market accessibility, requiring staff to travel long distances to procure supplies. Additionally, outdated and limited technology further hampers the cooperative's operations. Both cooperatives have seen a decline in traditional activities like handicrafts and farming due to changing community interests and a lack of skilled labour and migration.

3. Managerial challenges

In Sonada's cooperative despite having shareholders and a Board of Directors (BOD) to oversee operations, many members remain uninformed about the cooperatives functioning and are hesitant to actively participate in decision-making.

In Ravangla, understaffing due to financial limitations impacts daily operations. The recruitment process while credible, remains limited in scale, hindering the cooperative's ability to address its staffing needs effectively.

4. Cultural Challenges

Cultural challenges play a significant role in the Tibetan Cooperative Society. In Sonada, land encroachment has created tensions and strained relationships with the neighboring communities, highlighting the unique challenges of managing relationships with the locals- a factor less commonly observed in other cooperatives. These strained relationships, combined with financial constraints prevent effective land management.

In Ravangla although internal cultural cohesion is strong, member disengagement during meetings and cooperative activities presents a challenge to effective decision-making and overall functioning of the cooperative.

DISCUSSION

This study identifies and analyses the challenges faced by Tibetan Cooperative Societies, particularly in Sonada and Ravangla. The findings offer a comprehensive understanding of the multifaceted challenges faced by these societies which includes financial, operational, managerial, and cultural challenges that are common across cooperatives but cultural challenges were more prevalent in these cooperatives societies. Financial challenges were significant for both cooperatives. Operational challenges, such as inadequate infrastructure and remote location, were also prevalent. Both the cooperatives faced a decline in traditional activities due to aging workforce and lifestyle changes. Managerial inefficiencies were observed with struggles of member's disengagement and understaffing. Cultural challenges, especially maintaining a harmonious relationship with the other local communicates were identified as a unique finding of the study. These findings support the existing literature on cooperative challenges, particularly regarding financial, operational, and managerial challenges. However, the cultural factor related to maintaining a relationship with the locals offers new insights into the unique challenges Tibetan cooperatives face, which is not widely addressed in existing literature.

Every study has its limitations, which provide opportunities for future research, Hence, the limitation of this study is that it only takes into account two Tibetan cooperative societies (Sonada and Ravangla) out of 15, restricting its generalizability. While the qualitative approach provides in-depth insight, it lacks quantifiable data and statistical validation to support the conclusion objectively. The research relies on case-specific data collected at a single point in time, which may not account for changes over time. The study's findings should, therefore be interpreted with caution, as they may not fully capture the experiences of other cooperatives, particularly in different geographical regions or under different socio-economic conditions. The result of this study carries significant implications for policy making. First, the financial challenges Tibetan cooperatives face highlight the need for a more accessible and efficient funding mechanism, particularly in the face of bureaucratic delays. The specific policy must be designed to align with the unique objectives of the cooperatives ensuring they address their distinctive challenges and foster their development effectively.

This study provides a foundational understanding of Tibetan cooperative societies and can serve as a first step in a broader literature review. Future research could use a quantitative approach to validate the findings further. Additionally, future research could explore the role of cultural factors in the management of cooperatives, particularly in ethnically and culturally diverse communities or other Tibetan cooperatives in different regions. This study provides a nuanced understanding of the challenges faced by Tibetan cooperative societies in India, highlighting the financial, operational, managerial, and cultural factors that shape their experiences. While the findings align with existing literature on cooperatives, they also offer new perspectives especially on the role of culture especially among these cooperating societies, suggesting important directions for future research and policy development.

CONCLUSION

In conclusion, the Tibetan Cooperative Society has played a crucial role in supporting the Tibetan community in exile, providing a foundation for survival and growth in their new homeland. By adapting to the modern age, it has effectively met the evolving needs of the community. Beyond its economic support, the society has become a vital institution for preserving Tibetan culture, language, and identity, helping the community maintain a sense of continuity and heritage while navigating the challenges of diaspora life.

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