

SOCIO-ECONOMIC AND POLITICAL ADVERSITIES AND SC ENTREPRENEURS IN KOLHAPUR DISTRICT

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ABSTRACT:

Castes based discrimination, denial of opportunities, inherited poverty, destitute social and cultural status, educational backwardness, political negligence etc. are being forced SC people even today to perform their traditional, poorly paid, unhygienic and dead end jobs for their survival. There are some new and promising entrepreneurs being emerged from socially and economically backward class community like Mahar, Chambhar, Mang, Dhor etc. Historically these peoples were well known as ex-untouchable and now they are recognized as Scheduled Castes (SC) people in India. These people were exploited economically suppressed socially and neglected politically with the hands of upper castes Hindu society people, since thousands of years. Historical denial of equal opportunities, observance of untouchability, social exclusion and discrimination, political negligence are the major causes of Socio-economic backwardness of SC people. After the independence, Central and State Government have established many corporations and institutions. Government also have introduced many schemes and programs for the upliftment of the SC entrepreneurs. Constitutional provisions and many laws are enacted in this regard. The efforts taken by the government are appreciable and helpful to enhance the Socio-economic standard of SC entrepreneurs, however the execution of these schemes and programs are problematic.

Key words: SC entrepreneurs, Socio economic and political adversities, caste based discrimination, support of Government Agencies and Financial Institutions

1. INTRODUCTION:

India being a custom oriented country where religion is accounted as an important factor in all social factors influences very much especially on occupation of the people. According to Dr. Ghurye¹ in caste based stratification, people have been classified on the principles of their occupation they do .It is because the social status of an Individual is determined according to the

upper and lower class of their occupations. Each caste and sub caste has its own traditional occupation. It is expected that people in each caste and sub caste should perform their traditional occupations only.

In India Scheduled Caste people are Important and major section of Hindu religion. They are suppressed socially, exploited economically and neglected politically since thousands of years. They are engaged in menial, dead end, unhealthy and low paying jobs. Inherited poverty denials of opportunity, social exclusion, etc. features are always associated with them.

After the independence, situation and atmosphere is changed. The Constitution of India² have provided protection and safeguard for Scheduled Caste people with an objective of removing their social and economic disabilities and promoting their varied Interest. Awareness of social, economic and entrepreneurial progress and changes has been observed due to invaluable efforts taken by great social reformers like Jyotiba Phule, Chh. Shahu Raje, Dr. Babasaheb Ambedkar, etc. Since the Independence Central and State Government have taken an admirable efforts in this regard. Many Acts and laws, have been enacted, many corporations and Institutions have been established, many schemes and programs have been introduced and executed. As a result of these efforts many young and promising entrepreneurs are being emerged from Scheduled Caste category. In spite of all these facts several factors like caste based discrimination, non availability of sufficient opportunity, inherited poverty, educational backwardness, political negligence etc. SC entrepreneurs are establishing and running. many micro and small business activities and playing contributory role in economic and entrepreneurial development in Kolhapur district.

2. SELECTION OF RESEARCH AREA AND SIGNIFICANCE OF STUDY:

Kolhapur is the district, which have strong platform for industrial and entrepreneurship development. Since the independence, there are many entrepreneurs successfully running their business activities and achieving their name and fame at national as well as at international level. R. M. Mohite, B. G. Shirke, Ghatage-Patil, Konduskar, Mahadik, Bachulkar, Abhyankar, Chakote-Patil, Ghodawat, Kore, etc. are the well known examples in this regard. Basic infrastructural facilities are made available for their overall entrepreneurial development in Kolhapur district.

The share of S.C population in total population of Kolhapur district is 13.01% (Census 2011)³. Recently there are some new and promising entrepreneurs being emerged from socially and economically backward class community like Mahar, Chambhar, Mang, Dhor etc. Historically these peoples were well known as ex-untouchable and now they are recognized as Scheduled Castes (SC) people in India. These people were exploited economically suppressed socially and neglected politically with the hands of upper castes Hindu society people, since thousands of years. After spending more than 60 years from the date of independence and solemnly constituting India as sovereign, socialist, secular and democratic republic state, situation of SC people is not yet significantly changed. Castes based discrimination, denial of opportunities, inherited poverty, destitute social and cultural status, educational backwardness, political negligence etc. are being forced SC people even today to perform their traditional, poorly paid, unhygienic and dead end jobs for their survival. Having this historical background, many SC youths are taking now professional and skill oriented education and conducting new and innovative, highly paid enterprising activities, thanks to great social reformers Rashtrapita Jyotiba Phule, Rajarshi Chh. Shahu Raje and Dr. Babasaheb Ambedkar for their courageous and endless contribution in social development and path finding guidance. Youth in marginalized communities are being encouraged and motivated continuously to do something better. Innovative and respectful activities for their survival and overall development.

A part from many hardships young SC entrepreneurs is conducting their business activities in and around Kolhapur district. Researchers were interested to know the severances of these socio-economic hardships and political negligence as the major obstacle in the way of their

entrepreneurial development, hence this topic entitled Socio-economic and Political Adversities and SC Entrepreneurs in Kolhapur District is selected for the research.

3. REVIEW OF LITERATURE:

For this research study researchers have taken review of existing literature to know the present status of research under this title. The brief of this review is as under :

S.M. Dahiwale⁴ observed that respondents who have possessed modern education, professional and vocational skill have found easier to do modern jobs and those who remained still deprived of education, have remained less educated are engaged in traditional and unhygienic jobs. **Sunanda Patwardhan**⁵ observed that Dr. Ambedkar's leadership, awakening from slavery and conversion to Buddhism are some of the important factors caused for their socioeconomic development. **John Kunkel**⁶ found that entrepreneurship development is widely depend upon the material resources, industrial climate and political responsiveness and more importantly socio economic, religious and educational atmosphere in any country. According to **Dr. Ghuraye**⁷ in caste based stratification people have classified on the principle of their occupation they do. It is because the social status of an individual is determined according to the upper or lower class of their occupations Dr. Ghuraye further observed that as the occupations are based on religious stratification, freedom to choose any other fair and profit making jobs other than their traditional one is denied. **E.W.Nafziger**⁸ observed that entrepreneurs born in higher castes are economically prosperous and educationally sound. They have enough experiences in entrepreneurial activities. They easily avail sufficient capital, Government aid and assistance in various schemes. **M.U.Deshpande**⁹ admitted the fact that, majority of entrepreneurs in Maharashtra State are belongs to higher class of society, who are socially and economically forward. **D. Narendra Kumar**¹⁰ observed in Chittur district of A.P. State that entrepreneurs belongs to socially and religiously upper castes, categories hold monopoly over entire small scale industrial sector and most of the political and economic support was favored for them only. According to **M.Kasi Reddy**¹¹, SC and ST entrepreneurs are financially weak and they are not able to provide necessary security to get required financial assistance from various banks and financial institutions. Therefore there is need of providing financial assistance to them with subsidized rate of interest without demanding physical security and also non economic support to them.

4. RESEARCH METHODOLOGY:

4.1. Selection of Research Topic:

Demographically, Kolhapur district is considered as the district of enterprising people having touch of progressive thinking evolved by great social reformer Raj. Chh. Shahu, who also laid the foundation of industrialization in Kolhapur city by establishing and running successfully, Chh. Shahu Cotton Mill in 1906. After the independence, many small and big units started in and around Kolhapur city. Though agriculture is the major occupation of the people in Kolhapur district, many agro based processing industries and engineering units have been developed since the independence. There are number of Micro unit have been located in the district and they are significantly contributing their share in industrial development of Kolhapur district. In this movement, SC entrepreneurs are also participated with their predetermined aims and objective of socio-economic development. Despite their inherited poverty and destitute socio-economic condition, they are finding their space and position in entrepreneurial world. Considering their historical, social, economic and occupational backdrop, it was indeed necessary to study the extent of existing socio-economic and political support available in SC entrepreneurs to Kolhapur district. Specific research work in this area is not found until now, therefore researcher has finalized the

research topic as “Socio-economic and Political Advertise and SC Entrepreneurs in Kolhapur District.

4.2. OBJECTIVES OF RESEARCH STUDY:

This Research study was conducted with the following objectives:

1. To study the profile of SC entrepreneurs in Kolhapur District.
2. To Study the Socio-economic and political adversities posed before SC entrepreneurs in Kolhapur District.

4.3. HYPOTHESIS OF RESEARCH STUDY:

Socio-economic and political factors are not favorable for the SC entrepreneurs in Kolhapur District.

4.4 RESEARCH DESIGNS AND SELECTION OF SAMPLES:

For the purpose of this study, the universe is considered as infinite and 300 samples among them are taken on Purposive and Snow Ball Sampling Method²⁶. The period selected for this research study was for 10 years i.e. from 2000-01 to 2009-10.

Primary data was collected from 300 sample respondents throughout the Kolhapur district with precise and structured interview schedule, at the same time observation and interaction method was also applied for this purpose. Apart from this secondary data was collected from library resources. This collected data have been analyzed with Likert Five Point Scale and presented with simple statistical techniques like percentage, average, central tendencies etc.

4.5 DATA COLLECTION:

1) Primary Data :

Primary data was collected from 300 sample respondents with structured interview schedule and precise questionnaire constructed for this purpose. At the same time, observation and interactions method was also applied.

2) Secondary data :

Secondary data, necessary for this research study was collected from library resources like reference books, journals, periodicals, internet etc. M. Phil., Ph.D. thesis also have been referred for this purpose.

4.6 Tools Used for Data Analysis:

In order to analyze the data collected for this research study, frequency tables, are prepared to present statistical data and percentage, average, central tendencies etc. are used for analyzing the same.

5. DATA ANALYSIS AND INTERPRETATION:

5.1 Demographic Profile of Micro and Small SC Entrepreneurs:

5.1.1. Micro and small SC entrepreneurs are located throughout the Kolhapur district and majority of them (52%) are concentrated in four talukas viz Karveer, Hatkanagale, Shirol and Gadhinglaj taluka and remaining 48% are concentrated in all other eight talukas.

5.1.2. Out of eight SC sub castes, Mahar (46.5%), and Chambhar (30.5%) were found as major sub castes of micro and small SC entrepreneurs and remaining 23% respondents were belongs to other six SC sub castes available in Kolhapur district.

5.1.3 With regards to education level of micro and small SC entrepreneurs, it was observed that 85% respondent were found below graduation level and so far formal training is concerned, hardly 40% respondents could avail their training at different centers.

5.1.4 Majority of micro and small SC entrepreneurs (74%) have established their business organizations after the year 2001 onwards and rest 26% have established prior to the year 2001.

5.1.5 Fair numbers of micro and small SC entrepreneurs (47%) are engaged in service rendering activities followed by 31% in trading activities and remaining 22% are engaged in manufacturing activities.

5.1.6 Majority of micro and small SC entrepreneurs (56%) are found in rural area followed by 34% in semi urban area and remaining 10% are located in urban area.

4.1.7 Majority of micro and small SC entrepreneurs (85%) are belongs to first generation entrepreneurs and they are engaged in modern and nontraditional business activities and remaining 15% are engaged in traditional business activities.

5.1.8 Majority of micro and small SC entrepreneurs (77%) have invested capital below Rs. 5,00,000/- followed by 17% have invested between Rs. 5,00,001 to 25,00,000, 5% have invested between 25,00,001 to Rs. 1 crore and hardly 1% have invested their capital above 1 crore.

5.1.9 Majority of micro and small SC entrepreneurs (60%) have engaged employees in their business, those ranges between 1 to 5 and remaining 40% respondents are managing their business by themselves only.

5.1.10 Hardly (24%) respondents have availed the benefit of various government schemes and majority of them (76%) could not avail the same, due to an awareness of them and also non cooperation from the loan approving and financing authorities in this regard .

5.2 Socio-Economic and Political Support:

History of SC people (Ex- untouchables) says from thousands of year that , these peoples are suppressed socially, exploited economically and neglected politically in India. Keeping in mind this backdrop of SC people, researchers have determined hypothesis that, Socio-economic and political factors are not favorable for emerging SC entrepreneurs in Kolhapur district. In order to verify the truth, researchers obtained the responses from 300 sample respondents throughout the Kolhapur district with regards to various aspects like caste and religion, family and occupational background quality of education, society support, Government and non government organizational support etc. Altogether thirteen important aspects are verified. The details of these responses are given as below.

5.2.1. Responses for Socio-economic and Political Factors:

Sr. No.	Statements	Opinion Level					Total Score	Mean
		1	2	3	4	5		
1	Castes affects on choice of business	138	39	12	39	72	1032	3.44
2	Caste related discrimination	99	72	10	58	61	990	3.33
3	Non supportive religious atmosphere	118	78	29	46	29	1110	3.70
4	Non supportive family and occupational background	239	45	8	5	3	1412	4.70
5	Lower and substandard quality of education	96	80	121	3	0	1169	3.89
6	Poor motivation and lower ambition	78	94	126	2	0	1148	3.82
7	Non supportive social atmosphere	156	89	22	30	0	1265	4.21
8	Unsound financial position	222	63	1	14	0	1393	4.64
9	Lower and poor income level	241	52	3	4	0	1430	4.76
10	Unsound investment capacity	226	56	3	15	0	1393	4.64
11	Non supportive State Policies	178	29	28	57	8	1212	4.04
12	Inadequate Govt. financial support	158	43	16	70	13	1163	3.87
13	Inadequate banking support from local banks.	164	68	5	56	7	1226	4.08

5.2.2. Interpretation of Data:

1. Mean of total score related to statement caste and religion adversely affects on the choice of business is 3.44. Being response is **positive** It is evident that, majority Sc entrepreneurs feel that, due to adverse caste and religious atmosphere they are not free to select their business of their own choice.
2. Response of SC entrepreneurs to the statement *Caste based discrimination is observed in individual as well as in their professional life* is **positive** as the total score is 990 and Mean is 3.33, which shows that majority of SC entrepreneurs believe that, they are observing caste based discrimination.
3. Response of SC entrepreneurs to the statement, *Religious atmosphere is not supportive* found **positive** as the total score is 1110 and mean is 3.70. It indicate that majority of SC entrepreneurs believe that still today religious atmosphere is not healthy and conducive for their development.
4. Response of SC entrepreneurs to the statement, *Family and occupational background of SC entrepreneurs is not supportive* found **positive** as the total score is 1442 and Mean is 4.70 which means that majority of SC entrepreneurs strongly believe that, family and occupational background of them are not supportive and it adversely affects on the performance of their business.
5. Response of SC entrepreneurs to the statement, *Inferior and degraded quality of education that they had been received proved helpless in establishing new and innovative business* is found **positive** as the total score is 1169 and Mean is 3.89 which states that quality of education they received was deplorable which is causing hurdle in performing their business activities effectively and efficiently.
6. Response of SC entrepreneurs to the statement, *Poor motivation and substandard aspirations cause hurdle in establishing and running their business successfully* is found

- positive** as the total score is 1148 and Mean is 3.82 which clearly states that due to poor motivation and substandard aspiration they could not establish and run innovative and nontraditional business successfully.
7. Response of SC entrepreneurs to the statement, *There is no adequate and timely moral and economic support from the society at large* is observed **positive** as the total score is 1265 and mean is 4.21, which states that, majority of SC entrepreneurs believe that they are not being supported either financially or morally by society in general.
 8. Response of SC entrepreneurs to the statement, *Financial position of their family while starting their present business was not sound and supportive* is observed **positive** because total score is 1393 and Mean is 4.64 which clearly indicate that, majority of SC entrepreneurs believe that while starting their business, financial position of their family was not healthy and conducive to do so.
 9. Response of Sc entrepreneurs to the statement, *Inherited lower and poor income level badly affected on the growth and further development of their business enterprises* is found **positive**, as total score is 1430 and mean is 4.76 which indicates that majority of SC entrepreneurs believe that their inherited poor financial background and low income level has adversely affected on growth and further development of their business.
 10. Response of the SC entrepreneurs to the statement, *Investment capacity of them is quite low and inadequate* is found **positive** as the total score is 1393 and Mean is 4.64, which states that, majority of the SC entrepreneurs believe that, their investment capacity is quite low as compared to well established other entrepreneurs.
 11. Response of the SC entrepreneurs to the statement, *State Policies those are introduced and deployed by the government for the upliftment of SC entrepreneurs are not supportive* is found **positive** as total score is 1212 and Mean is 4.04, which reveals that the majority of SC entrepreneurs are not happy with the State Policies and its deployment those are meant for the upliftment of SC people as these are not supportive and easy accessible to them.
 12. Response of Sc entrepreneurs to the statement, *In their economic development GOs and NGOs are not providing adequate economic and non economic support to them* is found **positive** as total score is 1163 and Mean is 3.87 which states that, majority of SC entrepreneurs believe that, GOs and NGOs are not providing adequate and **positive** economic and other support to them in their development process.
 13. Response of SC entrepreneurs to the statement, *Local banks and financial institutions do not provide adequate support and help in raising adequate finance for their business* is found **positive** as total score is 1226 and Mean is 4.08 , which indicate that, local banks and financial institutions are not providing adequate support and timely help in raising finance for their business.

5.2.3. Testing of Hypothesis:

Socio- economic and political factors are not favorable for emerging entrepreneurs of S.C. category

Hypothesis:

H₀: Socio- economic and political factors for emerging entrepreneurs of S.C. category is uncertain (i. e. $\mu_1 = 3$).

Vs H₁: Socio- economic and political factors are not favorable for emerging entrepreneurs of S.C. category (i. e. $\mu_1 < 3$).

One sample t-Test

Variable	N	Mean	St. Dev.	SE Mean	95 % Upper bound	T	P value	Result
Socio- economic and political factors for emerging entrepreneurs of S.C. category	300	2.0671	0.5756	0.0327	2.1210	-28.54	<0.001	H ₀ = Rejected H ₁ = Accepted

Conclusion: At $\alpha = 0.05$ level of significance; since P-value is less than 0.05 therefore we reject the null hypothesis. That is, Socio- economic and political factors are not favorable for emerging entrepreneurs of S.C. category.

5.3. Major Observations and Findings:

1. Majority of SC entrepreneurs are belongs to first generation entrepreneurs, having negligible amount of investment in their business, because of which they could not think for innovations and modernization of their business entrepreneurs. They are in need of financial support.
2. Majority of Sc entrepreneurs are belongs to age group of 21 to 50 years of their age. It means that they are young energetic and they possess hard working ability.
3. Caste and religious factor affects adversely even today, in selecting the nature of business. Castes do not permit them to select and conduct new and innovative business opportunities as per the wish and liking of them.
4. Majority of SC entrepreneurs who have established their business entrepreneurs are belongs to poor economic and non entrepreneurial background, due to which, perhaps they could not perform their activities in well efficient and professional manner.
5. Majority of SC entrepreneurs believe that, their poor motivation and substandard aspiration causes hurdle in initiating and developing new and innovative business activities. The reason behind this might be inferior and degraded quality of education they received in their school days.
6. Majority of SC entrepreneurs believe that State Policies those are introduced and deployed by the Government for the development of SC entrepreneurs are not adequate, not transparent and user friendly.
7. Majority of SC entrepreneurs believe that, their inherited poverty and social destitute conditions badly affected on the growth and development of their business enterprises.
8. Investment capacity of majority of SC entrepreneurs is quite low and unsound.
9. Majority of Sc entrepreneurs believe that, local banks and financial institutions do not provide adequate financial support to them.

6. SUGGESTIONS AND CONCLUSION:

On the basis of analysis of facts and figures and observations made by the researchers, following suggestions are made.

1. Separate Nationalized Bank or Financial Institution owned by Central Government should be established with sizable amount of equity capital and its branches to obtain required finance easily and against the security of personal skill, competencies and experiences.
2. Details of scheme and programmes meant for SC entrepreneurs initiated by the government must be mandatorily displayed, conveyed monitorily and deployed.
3. Interest free loan up to certain limit should be provided to educated skilled and aspirant SC youth to initiate their entrepreneurial activities.
4. Government should arrange more training programs and workshops to enhance their skills, competencies and existing knowledge with regards to production, marketing, finance, human resource development etc.
5. Government should assure marketing opportunities to the SC entrepreneurs with minimum price for their products.
6. Considerable amount of relaxation in taxes and revenues to be given to SC entrepreneurs.
7. Society to should help in providing moral and psychological support to SC entrepreneurs in starting new and innovative business enterprises.

7. Conclusion:

SC people in India are suppressed from thousands of years. Historical denial of equal opportunities, observance of untouchability, social exclusion and discrimination, political negligence are the major causes of Socio-economic backwardness of SC people. After the independence, Central and State Government have established many corporations and institutions. Government also have introduced many schemes and programs for the upliftment of the SC entrepreneurs. Constitutional provisions and many laws are enacted in this regard. The efforts taken by the government are appreciable and helpful to enhance the Socio-economic standard of SC entrepreneurs, however the execution of these schemes and programs are problematic. It needs to improve and make more transparent as well as user friendly. More healthy and supportive social atmosphere, moral and economics support from the society, timely and adequate support from local banks and financial institution will certainly help to hardworking emerging SC entrepreneurs in Kolhapur district to develop their enterprises and society at large.

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