CHAPTER II

Social Capital and Rural Development: A Theoretical Perspective
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2.1 Introduction

The present chapter aims at providing a theoretical framework to the two important concepts on the basis of which the entire study is focused. The first concept to be explained or analysed is the idea of social capital. It means the interpersonal networks that provide people with resources or status, which they can exploit in other areas of social life and potentially leverage in the pursuit of economic or cultural capital. Pierre Bourdieu defines social capital as, “the actual or potential resources which are linked to possession of a durable network or less institutional relationships of mutual acquaintance or recognition”. Families and communities are generally the levels on which social capital is constructed. The concept of social capital has attracted considerable attention from contemporary social scientists, partly due to the influence of Bourdieus’ writings on the reproduction of various forms of capital and partly because of its affinities with existing sociological concepts and theories, such as social resources, social exchange, and social networks. The idea of social capital has been linked more generally to the notion of non-economic resources. Several scholars focused on strategies of accumulation of capital and the reduction of inequality, while others have treated social capital as a basis for social solidarity and as a collective resource that makes trust possible. Social capital is neither possessed nor accumulated by individuals but rather held by a social group. Social capital is thus envisioned as a productive variable that facilitates development and democracy. Social capital has also been brought to bear on the question of family support and benefits mediated by extra-familial networks.
The second concept to be explained is nothing but rural development. Here it is to be noticed that the level of rural development largely depends on the amount of social capital that a society is able to accumulate. The formation of social capital naturally leads to rural development which in turn is responsible for the eradication of poverty, the real crisis faced by the rural people. Rural development is a strategy to improve the economic and social life of a specific group of people, the rural poor including small and marginal farmers, tenants and the landless. The term ‘rural’ means an area which is characterized by non-urban style of life, occupational structure, social organization and settlement pattern and development is defined in terms of technological or industrial development. But development of rural people means raising the standard of their living. It is the development of rural areas through the extension of irrigation facilities, improvements in the techniques of cultivation, expansion of electricity construction of school buildings and provision of education facilities, health care and roads etc.

Thus the present chapter is fully devoted to giving a detailed and in-depth analysis of the concepts of social capital and rural development. Only on the basis of such a theoretical foundation that one can come to practical realities of such concepts in a particular locality

2.2 Social Capital: A Conceptual Framework

The term social capital refers either to the capacity of an individual to obtain valued material or symbolic goods by virtue of his or her social relationships and group membership or to the capacity of a plurality of persons to enjoy the benefits of collective action by virtue of their own social participation,
trust in institution, or commitment to established ways of doing things (Encyclopedia 2005:715). The former capacity has been called “relational social capital “and the latter “institutional social capital”. The common element underlying both types of social capital is social embeddedness. Individual and collective action alike are enabled and constrained by the resources that actors can leverage within and between levels of social structure.

Like the complementary concept of “human capital” (the knowledge, skill and understanding acquired by persons through training and experience), the concept of social capital stems from an analogy to physical and financial capital. Capital in general refers to finite assets available for purposive deployment in the satisfaction of future wants. Capital assets accumulate as stocks. Put to productive use, they generate flows of benefits for the asset holder and his or her exchange partners. Capital assets are said to be ‘fungible’ (interchangeable) ‘transferable’ (conveyable from one place or situation to another) and ‘alienable’ (transferable in ownership). Since social capital is only slightly fungible, mildly transferable and inalienable, some economists, for example Kenneth Arrow reject the analogy to capital theory. However stretched the analogy may be the concept of social capital captures something that most sociologists consider an element of truth- that the resources embedded in social structures facilitate individual and collective action, and generate flows of benefits for persons, groups, and communities.

While many dimensions of this concept are far from new, scholars have been increasingly interested in presenting social capital as a key resource that seems to oil the wheels of both democratic politics as well as economic prosperity of societies (Selle and Sanjeev 2004:19). In this expanding research
agenda, social capital is believed to be an important resource promoting several other societal and individual benefits, such as responsive and well performing institutions, as well as individual health and personal happiness.

Social capital is becoming a common buzzword in political science, sociology and even in economics. In the post cold war environment, the works of people including Robert Putnam have a resonance with politicians and social scientists as providing a model to address many of the social problems that bedevil modern society. Social capital is an old concept dating back to the 18th century and earlier, which has recently reemerged from the debates on civil society. Social capital can be seen in relation to the notion of “civil society” in the following way. If we can say that “civil society” describes the non–governmental institutional arrangements of society in governance, then social capital describes the underlying social relationships from which these institutional arrangements emerge. A relative straightforward and simple definition of social capital is……norms and networks that facilitate collective action (Woolcock 1998:155).

Collective action is based on interpersonal trust, and arguably it can lead to some form of civic participation. This in turn the argument goes, leads to greater trust and so thereby social capital grows and with it civic participation and stability (Putnam 1993:90). A key point however which is often overlooked in the debate on social capital is that in this formulation social capital does not have an absolute value, but rather it has a relative value. That is, any ascribed beneficent or detriment of social capital will depend on the perspective of the viewer and those whose interests are being served (Pantoja 1999:58).

Another feature which is glossed over in modern exposition of social
capital is that social capital can be of as much value for commercial purposes as for civic purposes. An example of this is ‘net work capitalism’ in which business cartels are formed for production or marketing purposes (Putnam 1995:66), which may not be for the benefit of society as a whole, and restrict open and transparent governance. On the other hand, the very poor use of social capital to enable short term support to the family in the event of illness or death with emotional support and cash, and in the longer term enables support with food, water, space, child care etc. which seems to be a very positive manifestation. (Mocer 1998:13)

Social capital defined in the recent literature above is a concept which is based on specific social values; it is a normative concept rather than an objective description of human behavior. The key strengths of social capital analysis however lie in a borderless normative analysis. It is is more than about participation in group activities; it is also about how non-monetary forms of social interaction are a source of not only material or financial gain but also a source of power. (Portes 1998:2)

2.2.1 Social Capital: A Historical Perspective

There is a familiar ritual in contemporary academic life. Scholars proclaim their ground-breaking discoveries, only to be told by their older peers that they have heard it all before. Social capital research is no exception. Theoretical precursors can clearly be found in the works of many of the founding fathers of the contemporary social science, such as Adam Smith, de Tocqueville and Durkheim, and arguably even in the writings of some of the earliest scholars, such as Aristotle. Indeed, in so far as the social capital concept simply highlights
the important role that community plays in individual well being, it can be recognized in some of the most ancient known texts.

Table 2.1
Forms of Capital

<table>
<thead>
<tr>
<th>Type</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Capital (general use)</td>
<td>Any form of material wealth used or available for use in the production of more</td>
</tr>
<tr>
<td>Financial</td>
<td>Money and paper assets, for example, a sum of money in a bank. It does not directly produce goods and services, though it can be used to purchase factors of production which can produce goods and service</td>
</tr>
<tr>
<td>Physical</td>
<td>Stock of produced goods that contribute to the production of other goods and services; for example, the machinery, equipment and buildings used in production.</td>
</tr>
<tr>
<td>Other tangible assets</td>
<td>Factors of production that nature supplies, for example, land. They are distinguished from physical capital in that the latter is produced</td>
</tr>
<tr>
<td>Human</td>
<td>Stock of expertise accumulated by a worker – knowing how to do something; for example, a professional training. It is valued for its income earning potential in future.</td>
</tr>
<tr>
<td>Social</td>
<td>Social networks and norms and sanctions that govern their character. It is valued for their potential to facilitate individual and community action, especially through the solution of collective action problems.</td>
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Current interest in the role that associational life plays in society was fore-shadowed over a hundred and fifty years ago in the American context in the observations of Alexis De Tocqueville. He drew attention to what he saw as the foundation stone of vibrant American democracy; ‘Nothing, in my view, more deserves attention than the intellectual and moral association in America. American political and industrial association easily catches our eyes, but the others tend not to be noticed (Tocqueville 1969:517). Tocqueville argued that “an association unites the energies of divergent minds and vigorously directs them toward a clearly indicated goal” (Tocqueville 1969:190). This greatly facilitated social collaboration or, in the language of contemporary social science, facilitated the solution of collective action problems. Such associational life also acted as a counter balance to the dangers of individualism that might otherwise eventually degenerate into an ‘exaggerated love of self which leads a man to think of all things in terms of himself and prefer himself to all’. Tocqueville argued that through associational life, ‘feelings and ideas are renewed, the heart enlarged, and the understanding developed only by the reciprocal action of men upon one another (Tocqueville 1969:515).

While it is De Tocqueville, who is widely quoted by political scientist, many parallels to today’s social capital research can be found in the work of another nineteenth century scholar, Emil Durkheim, ‘A nation can be maintained only if, between the state and the individual there is interposed a whole series of secondary groups near enough to the individuals to attract them strongly in their sphere of action and drag them, in this way, into the general torrent of social life’(Durkheim 1964:28). Durkheim observed that, even for the most individualistic of acts, the behavior of individuals could not be understood in
isolation from the characteristic of the community and the relationships in which they were embedded. Most famously, he illustrated his theories with an empirical analysis of suicide. He found that although suicide was thought of as a purely individualistic act, the suicide rate was best explained by social forces external to the individual in particular. Durkheim showed that suicide was far more common in societies and groups characterized by social dislocation and loose social bonds. In contrast, societies characterized by high levels of social cohesion and solidarity are able to protect their individual members from suicide through ‘mutual moral support’ which instead of throwing individual on his own resources, leads him to share in the collective energy and supports when his own is exhausted’ (Berkman and Kawachi 2000:175)

Economists can claim, with some justification that precursors to the concept of social capital can be found in their discipline as far back as the work of Adam Smith in the 18th century. Well known for his early advocacy of the merits of markets, Smith also drew attention to the importance of mutual sympathy, networks and values in the sustaining of such markets. However, despite this promising start, economists have generally not shown a great interest in the role of social networks and norms in economic life.

The earliest specific use of the term ’social capital’, identified by Putnam, seems to have been by Hanifan (Hanifan 1916:130). He used the term to refer to those tangible assets count for most in the daily lives of people; namely goodwill, fellowship, sympathy and social intercourse among the individuals and families who make up a social unit. Two points are noteworthy about Hanifan’s use of the term. First, the definition bears considerable resemblance to definitions that are current today, reinforcing the sense of continuity between past and present.
thinking. Second, Hanifan chose the term in order to facilitate discussions with hard-nosed businessmen who he felt would be more impressed by economic language than by ‘softer’ references to the importance of community. His strategy is paralleled precisely in the decision to use the term by many contemporary social scientists in their attempts to explain the importance of the phenomenon to money–minded policy makers today.

The birth of mainstream academic interest in the concept can be dated back to the late 1980s when attention was drawn to the concept by eminent sociologists in both Europe and the U.S.A. In Europe, Pierre Bourdieu noted that economists, whose world view so dominated much of contemporary thinking in both policy and social sciences had neglected the importance of huge areas of social and economic life (Bourdieu 1986:124). He argued that economic orthodoxy was artificially limiting itself to the study of a narrow band of ‘practices’ that were socially recognized as ‘economic’ and in so doing was missing the fact that ‘capital presents itself under three fundamental species, namely economic capital, cultural capital and social capital (Bourdieu and Wacquant 1992:114). He offered the following definition of social capital.

“Social capital is the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationship of mutual acquaintance and recognition. Acknowledging that capital can take a variety of forms is indispensable to explain the structure and dynamics of differentiated societies” (Bourdieu and Wacquant 1992:119)

Approximately in parallel with Bourdieu, the American sociologist James
Coleman published a paper that for many was the inspiration for their interest in the area. Indeed, it is clear that Bourdieu, and Coleman to some extent worked together. Like Bourdieu, Coleman offered a very broad conception of social capital that was not grounded in a narrow area of study.

“Social capital is defined by its function. It is not a single entity but a variety of different entities, with two elements in common: they all consist of some aspect of social structures, and they facilitate certain actions of actors—whether persons or corporate actors—within that structure. Like other forms of capital, social capital is productive, making possible the achievement of certain ends that in its absence would not be possible” (Coleman 1994:96)

In the academic world today, one name has become almost synonymous with social capital, though, as he himself points out, he did not invent the term. He is, of course, Robert Putnam. His definition of social capital is widely quoted today.

The research that put Putnam so decisively on the map was a ground-breaking study called “Making Democracy Work.” The study compared different regions of Italy in an attempt to explain what made some regional governments more effective than others. Putnam found that the differential effectiveness of the regional governments—their speed of action, the efficiency with which they worked and their perception by the public could not be put down to the size of their budgets or policy frameworks. Putnam’s remarkable conclusion, based on a detailed compilation of evidence, was that the critical factor in the effectiveness of the regional governments was the vibrancy of the associational life and the level of trust between strangers inside their region. (Putnam 1993:93)
Putnam’s argument was essentially that the differential success of the regional governments resulted from stable differences in social capital between the regions. The most successful regional governments were generally in the north. These areas had high degree of social capital as measured by participation in ‘horizontal’ associational organizations, such as choral societies, and high levels of reported social trust between strangers. The roots of this high social capital according to Putnam lag in the cultural and political practices stretching back nearly a thousand years. Regional governments were characterized by high levels of distrust for strangers and the people instead turned almost entirely inwards to their families for trust and support. In such regions, membership in horizontal voluntary associations was very much lower, and the predominant social organization was instead ‘vertical’ or ‘hierarchical’ in nature, with relationships based on power and patronage.

Fukuyama was another important figure to give relatively early prominence to the concept of social capital. Like Bourdieu, though from a rather different angle, Fukuyama argued that economists had grossly underestimated the importance of social capital in general, and trusts in particular. Fukuyama argued that the conventional characterization of political economy which juxtaposed the North American liberal model at one extreme and the Asian interventionist model at the other was grossly misleading because it missed the similarities in their social capital.

Since 1995, there has seen an explosion in the use of the term ‘social capital’. Almost certainly, the controversial article written by Bob Putnam in 1995, arguing that the U.S.A was witnessing a dramatic decline in its social capital, was a major spark to the literature that followed. With this explosion
have come waves of new empirical research. Over recent years, a number of studies have been published providing powerful new insights into the wide-ranging effects of social capital. Much of this research has come out of the U.S.A, often prompted by Putnam’s paper. The U.S.A has achieved a particularly fruitful target of study because of the comparable data available across the U.S States and the fact that social capital appears very greatly across the U.S.A. However, social capital research today is very much an international affair.

Francis Cleaver, in his research in Tanzania questions the ideas inherent in mainstream development policy that social capital can be readily created, used or substituted for other missing assets and thereby overcome poverty. The poorest experience clusters of interlocking disadvantage, that makes it highly difficult for them to draw on social capital to ameliorate their condition or to increase association and participation at community level. Moreover, social relationships, collective action and local institutions may structurally reproduce the exclusion of the poorest. As such, a politically neutral and under-socialized polity focus on strengthening associational life and public participation of the poor is unlikely to lead to their greater inclusion, or to significant poverty alleviation (Cleaver 2005:893).

Comparing the results from 60 villages in Rajastan, it is seen that having a high level of social capital does not always help to achieve high development performance. [Krishna 2001:925]. Stocks of social capital read to be drawn up on activity, and capable agency is necessary in addition to high social capital. Locally relevant scales of development performance and social capital are devised for making this comparison.
Patrick Heller argues that “state intervention and class mobilization in the state of Kerala, have produced two forms of social capital. Kerala’s high level of social development and successful redistributive reforms are a direct result of mutually re-enforcing interactions between a programmatic labour movement and a democratic state [Heller 1996:1055]. Instead of assuming a zero-sum relationships between government involvement and private co-operative efforts, Peter Evans argues for the possibility of “state society synergy” that active government and mobilized communities can enhance each others’ developmental efforts [Evans 1996:1119]. Jos Chathukulam and M.S. John in their micro study conducted in Kerala, reveal that the predominant characteristic of much of the associational life that came into being is based on a pre-occupation with entitlements rather than commitment to collective action of a civic kind. Further they said that the limitations of social capital generated through the inter-mediations of political parties within a framework of agitation to be streamlined in to more positive forms of civic engagement (Chathukulam and John 2003:221)

2.2.2 Types of Social Capital

The types of social capital are really related to the degree to which groups are inward looking, relatively conservative, and place very high values on solidarity on the one hand and the extent to which they are outward looking and seeking new ideas on the other. This typology has been variously known as ‘sacred’ and ‘secular’ societies (Becker 1950:248), ‘embedded’ and ‘weak’ ties ‘vertical bonds of authority’ and ‘horizontal bonds of fellowship’ (Putnam 1993:107) and ‘embeddeness and authority’ (Woolcock 1998:162).

The examples Becker uses are still relevant sixty years later. The ‘sacred’
grouping, *interalia*, includes some indigenous people’s communities, groups where a particular dogma maintains a totalitarian kind of structure, and socially isolated groups. The features of these groups are a strong level of solidarity, a high level of conservatism, a dependence on tradition, and often hierarchical or authoritarian structures. Beeker’s ‘secular’ grouping includes, *interalia*, those with organizing principles around human rights, national welfare, humanitarianism, free enterprise, socialism, liberty etc. These types of organizing principles are generally more flexible and open (Becker 1950:278)

Pantoja has gone much further and has identified six forms of social capital (Pantoja 1999:28)

a) Family and kinship connections- these arise from birth but custom may influence their strength.

b) Wider social networks or Associational life covers the full range of formal and informal horizontal arrangements;

c) Networks

d) Political society

e) Institutional and policy framework which includes the formal rules and norms that regulate public life;

f) Social norms and values

It is probably more accurate to classify these as the elements that make up social capital, whether it is in the ‘sacred’ or secular form in Becker’s terminology. They all may be present to varying degrees but they are all not necessary.
Robert Putnam narrows this formulation somewhat, dismissing groups which use coercive power and hierarchies, like-wise he is dismissive of those that are adversarial in their methods, such as trade unions and other advocacy groups (Putnam 1993:107). Practically speaking Putnam’s formulation is arbitrary and unrealistic. In any group whether it is one with a political purpose such as a trade union, or a social purpose such as a sporting club, authority figures will emerge and power relations established. By not recognizing the use of power in any group relationship Putnam’s views on what social capital is open to criticism as being highly normative, and excluding important social groupings such as women, and the unique characteristics of social groupings. Not only can this, but the implicit assumption of the benefits of a ‘consensual society’ marginalize people by closing down opportunities for dissent (Lieach and Scoones 1997:90). Rather than the issue of hierarchy or power being important in the discussions of what constitutes a society with high level of social capital, in the Putnam mould, perhaps the issue of how plurality and diversity are incorporated may have been more useful normative determinants.

2.2.3 Typology of Social Capital

Woolcock presents a simpler typology of social capital which builds on the notions of ‘autonomy’ and ‘embeddedness’ which can be related back to Becker and Granovetter. This typology of social capital picks up many of the elements outlined above and makes the particular point that it is not the presence or absence of ‘autonomy’ or ‘embeddedness’, but rather the balance between them that determines particular outcomes. In this type of analysis it is not a question of good social capital or good outcomes, but rather the outcome is related to the mix of these two elements of social capital.
Embeddedness is derived from the strength and solidarity of the group and level of integration and social cohesiveness within itself. All forms of exchange whether they are cultural, economic, and political or social are inherently embedded in social relationships. (Granovetter 1985:163). The level of embeddedness will determine the durability of the groups, and how they respond to stress. Likewise however, these groups with high embeddedness can become more vulnerable to certain types of external shocks due to their lack of flexibility and responsiveness and they can have quite oppressive or restrictive effects on non-members. It is not only vulnerability which is a cost of embeddedness, but it also constrains choices, flexibility, and sources of information for individual members of the group.

Autonomy is derived from outward looking networks and linkages, and has therefore access to both information and non-members of the group. Autonomy has two manifestations; the first is the access by individuals to non-group members (Woolcock 1998:164) and the second is the level of networking that occurs with other groups which may have a common interest-weak linkages.

The Key point here is that networks depend wholly on trust and while there may be implicit norms and rules of behavior enforcement mechanisms, they are weak. It is the balance of these two types of social capital, embeddedness and autonomy, which determine the nature of the group, its qualities, and its capacity to change over time. Granovetter calls this ‘coupling; and ‘uncoupling’ in which individuals draw upon and add to the resources of a group and then go on to form broader more autonomous ties.
2.2.4 Indicators of Social Capital

Given the concept of social capital itself is very ‘fuzzy’ then the indicators of the presence or otherwise of social capital will likewise suffer some of the same difficulties. Much of the work on assessing the presence of social capital has been at a broader national or provisional level. One of the problems with national level measures is that social capital is measured in terms of its results, or the resources it acquires. Firstly, this can easily lead to tautological statements to the effect that the successful succeed. There are also problems with cause and effect in which benefits are ascribed which may not be directly due to social capital but other factors (Portes 1998:5). Below are a set of common indicators used to measure levels of social capital, and some of the issues, which arise in using any of them as measures.

2.2.4.1 Associational Life

One of the common measures is the density of what is termed as associated life that is the membership of formal and sometimes informal groups that people are part of (Heller 1996:1055). This is usually measured in terms of the numbers of groups. Putnam, for example, argues that fewer associations in the South of Italy or their domination by powerful groups were one of the reasons for less social capital in that part of Italy.

In the post-Communist Russia, the distrust of Government carried over to destruction of most institutional forms and so the strength of social capital was mainly through informal social groupings (Kennedy and Kawachi 1998:2031). Like wise in Central America Booth and Richard found that associational life at local level had positive correlation with social capital, but at national level
politics the opposite was the case. These measures may also have problems in
determining which way the causal relationship goes. Strong support by
government or others for formal associations may foster social capital rather than
be an indicator of it.

It seems these are two problems with associated life as a measure. The
first is that this indicator merely measures depth in terms of numbers but not
diversity in terms of segments of society served or in membership. Secondly
there is that they do not include a gender analysis or other forms of social
analysis to see who is included in and who is excluded from these groups, the
associating life. There may be a rich diversity of associations serving a small
group in society. This measure assumes some equality of access to associations
which do not hold in many, if not most cases. Pantoja, found that in poor
communities associational life was in abundance but in a fragmented way, and it
was used as a mechanism for inclusion or exclusion (Pantoja 1999:38).

2.2.4.2 Political Knowledge and Tolerance

A proxy for this, for example, is newspaper readership. This is not very
suitable in areas where literacy levels are low and access to newspapers due to
cost is more difficult. Newspaper readership also reflects a very narrow and
very recent way of obtaining political knowledge. Oral traditions may be far
more important in many situations. More broadly even if useful proxy measures
are found it may not mean a lot at a practical level. Booth and Richard found
that in Central America even high levels of political knowledge had little
relevance to local level activism. (Booth and Richard 1998:41).
Policy performance, that is, government policies responsive to social needs and is being implemented. This is partly useful but can only be useful when comparing cases from a similar resource base. This is an indicator of state performance rather than social capital. Similarly critics of it tend to see policy performance to some extent as a tautological argument which states that social capital is defined as civic participation in governance. It is simultaneously both cause and effect (Portes 1998:19).

2.2.4.3 Civic Participation

This is a weak indicator partly because there are a number of reasons for voting including compulsion and coercion, which may not be related to social capital. In India, it was hard to disaggregate whether political participation was a result of social capital or high literacy levels, and in the case of Russia, social capital rose in response to highly cynical views of government.

2.2.4.4 Confidence in Government

It is only a relevant measure if social capital is seen to a have a direct influence on the quality of government which is Putnam’s argument. This might be true in circumstances where state structures grow out of civic participation but it is a more tenacious indicator when the structures are shaped by patterns of state building and state strategy. Where state structures are weak it could be that a negative assessment of confidence in government may also be an indicator of social capital. Interpersonal trust and civic culture may also be in the form of support of the reform of government (Muller and Seligsons 1994:32). This measure is therefore not simple, and is related to variables of the nature of government itself.
2.2.4.5 **Interpersonal Trust**

A civic culture in the form of support for gradual reform has a normative view as to how social change should occur. It is hard to see how support for gradual reform over radical reform is related to social capital. This is more of a political issue rather than something related to social capital.

2.2.5 **Social Capital and Development**

The concept of social capital has added new dimension to the dialogue on development. While institutions have long been considered as significant in development theory, viewing the density of formal and informal institutions for development as ‘social capital’, formalizes the link with more conventional labour and capital as inputs into development. Alternately, Putnam identifies social capital with “those features of social organizations, such as trust, norms and networks that can improve the efficiency of society by facilitating co-ordinated actions”. The many different interpretations of the concept and the attempts to quantify it at macro and micro levels at times detract from its usefulness in explaining the processes that lead to development and to the sustainability of development process. It may be argued that social capital is best conceptualized as an input in to the process by which institutions for development are created. As an index of the density of interaction amongst agents of development located in different formal sectors of an economy, it determines the sustainability of processes aimed at achieving ‘development’ at local decentralized levels. The rules, norms and values emerging out of those processes together with complementary inputs such as financial capital and human labour then determine the nature of the ensuing development processes.
(Chopra 2002:2911). This may just happen or not happen to be sustainable and comprehensive’. The important aspect is that it is the kind of development that the people reveal a preference for the process set in place by them. The concept of ‘social capital’ encapsulates the capability of the larger community to put in place such processes.

According to Woolcock when these two: embeddedness and autonomy are both present and in some balance, then developmental benefits can occur. These benefits are not only economic, but also can be social. He sees social capital as not only addressing static dilemmas eg. using self-help groups for credit or income generation; but social capital can also influence social relation in broader terms and have much wider benefits, even to the extent it can have some influence of Governance (Woolcock 1998:164). Putnam goes so far to say that it affects the quality of government in a particular area simply because of greater interaction with government that the increased group cohesion, confidence and problems solving that social capital brings. The linkages of governance with social capital are more direct where sets of social norms are the underlying basis for any form of governance to a large extent (Mearns 1995:3).

As postulated above, the concept of social capital is best looked at as a characterization of the processes that set societies on certain development paths in contrast to the outcomes of those development paths. In common with other kinds of capital, it is the means of achieving the well-being which constitutes the end. That is, perhaps, the reason it is referred to as ‘capital’ to begin with. In other words social capital is the networking that helps create linkages which in turn forge rules, conventions and norms governing the development processes. Such networks exist at different levels in all societies. The concept should then
be defined to include both macro-level institutions such as the judiciary and legislature and micro-level personal networks.

It may be useful to point out here that the initiation of the networking at all levels may be found in cultural values, social entities or economic interests (Chopra 2002:2911). The rules and norms of behavior they put in place, together with other complementary inputs may result in enduring development in some situations. However this is not a necessary outcome and mid-course corrections may be needed to ensure continued development. Such corrections may be critical in particular when anomalies arise due to the scale at which networks and processes are initiated. Norms and rules determined informally at local or micro-levels may turn out to be in conflict with more formal, legal and political institutions. So, in the next expansion of development to encompass larger, spatial or higher well-being levels, a new set of processes may need to be set in motion requiring an extended level of networking to create consistency with the macro-level institutions. This implies that an evolving and increasing stock of social capital is a necessary input into a sustained process of development. Again, like other kinds of capital, it constitutes an input in to development which needs to be accumulated and strengthened over time. The important difference however is that inputs of these kinds of bonding glue occurs at different though critical points of time in the process.

2.2.6 Social Capital and State

Central to modern social capital theory is the relationship between high levels of social capital and effective governance. Putnam’s central thesis is that high levels of social capital lead to greater participation in civic life and therefore
the state is held more accountable. (Putnam 1993:90)). The other view is that high levels of social capital can insulate the community from the predations of the state or enable people to step around the state. In developing countries where often the state is perceived to be weak, social capital is used to provide support and the goods and services that the state is too weak or corrupt to provide. (Serra 1999:14) In Russia for example, it was found that the community had a high degree of trust in social networks but a low degree of trust in the state as a consequence it was the informal social networks which were the major source of social security. (Kennedy and Kawachi 1998:2031)

So, what is the role of social capital in society–state relations? It should be recognized that there is a range of determinants to an effective and legitimate state. These might include the states own store of social capital through its internal cohesion and external accountability to society, and the relative power of the respective arms of the state; Legislature and Judiciary and their autonomy in exercising their power.

A high level of internal social capital is but one factor in supporting and effective state and in facilitating state-society relations. The other point is that social capital is most relevant at the local level in facilitating government’s interaction with the people (Moser 1998:13). It is at local government level that the arms of the state most directly interact with the community and make decisions which impact directly on day-to-day lives. At the provincial and national levels the interactions tend to be mediated more by the institutions of civil society such as religious organizations, NGOs, unions and other interest groups, and less so by the community groups directly.
The state however has a role in facilitating the development or strengthening of social capital by providing an enabling environment for social interactions and the norms of reciprocity and trust to flourish. State intervention aimed at providing public goods may be able to build directly on existing social capital resources and in turn reinforce social capital (Heller 1996:1056).

2.2.7 Social Capital and Poverty

Social capital has become a popular concept in development policy partly because it seemingly specifies a resource to be tapped, a productive asset which can be strategically mobilized by individuals and groups for particular ends (World Bank 1999). It is fashionable, following Putnam, to see social capital as a vital ingredient for economic development; indeed it is claimed that social cohesion underpins growth and prosperity. Crudely put in Narayan’s Tanzanian study “households living in village with higher social capital have higher income”. According to such views, the mechanisms by which association generates prosperity are largely related to improvements in transaction. Associated individuals have access to more information enabling them to coordinate activities for mutual benefit repeated interaction generates trust and reduces opportunistic behavior. Prosperity is also linked to political representation; it is claimed that social capital enables people collectively to participate in effective local decision making, better monitoring by government agencies, lobby for improved services, and where these fail, to secure informal insurance from friends, neighbors, and the community.

In situations of poverty the nature of social capital differs. The question Putnam raises is that, social epiphenomenal can only be sustained with economic
well-being (Putnam 1993:152). Where there is stability the social relationship and the mutual advantage that reciprocity brings, are possible albeit limited. However, where there is stress social capital can implode and negative aspects gain over positive ones such as community trust breaking down and people embedding themselves more closely with clan or family. As a consequence they may limit their community based activities and may have to breach some broader social agreements. Social capital is effectively withdrawn from circulation and so society is limited in the collective action, it can be considered.

2.3 Rural Development: A Conceptual Framework

When we look at the enormous amount of literature on development, one thing becomes amply evident that development seems to define the world’s agenda, divergent ideologies and view points notwithstanding. Development appears to be the key concept, an eminently attractive idiom of the fast modernizing economies and social systems, the world over. The concept of development has different meanings, as different scholars have emphasized different dimensions. Development is fundamentally a process of change that involves the whole society—its economic, socio-cultural, political and physical structure, as well as the value system and way of life of the people. The process of development may be compared with the turning of a wheel in which each segment pushes the one ahead of it and is in turn pushed by the one behind. However, it is not yet clear which segment should be manipulated to put the wheel in motion. (Alexander 1994:8). Such an approach also implies that the process of development can be initiated through different sectors of society.

Today’s development debate has taken several sharp turns, indicating
radical departures from six decades old development theories, most of which talked of economic development as the central focus of all development endeavors. Now, when the economic model of development has caused greater disillusionment, the focus of the debate has shifted to social, cultural, political, rural, technological and environmental aspects of development, each with its own rationales and recipes. Accordingly we are finding an amazing variety of writings which argue in favour of adopting new paradigms of development which suit the socio-economic and politico-cultural conditions prevalent in a given society. The critiques of modern development theory are not restricted to alternatives, but are based on normative search for a satisfactory and indigenous form of development, much different from dominant western paradigms (Kothari 1998:107)

2.3.1 Social Development

The development debate in the early eighties shifted to social aspects of development, as is being currently examined in the social science literature. There has appeared a lot of literature on social development and the subject has been discussed at length in the world summit on social development held in March, 1995 at Cophenhagen. The document arising out of the summit, underscore the fact that social development, while being an old concept has acquired new meanings and messages. It is apparently more comprehensive than economic development, it subsumes the latter, but it specifically aims at the attainment of wider social objectives (Dube 1994:83) Dube, however, laments that these objectives have not been precisely defined and the concept has not been rigorously codified.
While Dube’s complaint and satisfaction has relevance in our context, the United Nations thinking on social development is more loud and clear. The UNESCO’s position paper for the world summit on social development raises the argument that development is first and foremost social. It says further that “social dimension is to be the starting point of development and should determine to a large extent the priorities of development policies.

2.3.2 Human Development and Sustainable Human Development

In connection with social development, two allied concepts, namely “human development” and “sustainable human development” find frequent mention in the current development debate, especially when the issue of sustainability is raised.

The concept of human development, though not new to social science vocabulary, has now acquired new interpretations far different from those in conventional usages. A few decades ago, it was used to refer to more investment in human skills. Among management specialists, human development tended to be equated with human resource development- training human beings as a resource. It is only in recent years that human development has taken on a deeper meaning by recognizing that development is sustainable only when human beings are increasingly capable of taking charge of their destiny. “The essence of human development”, says a UNDP Report, “is to place development at the service of people’s well being rather than people at the service of development (UNDP 1994:16). In this perspective, human development implies empowering people to make their own choices.

The concept of sustainable human development lays emphasis on the
development of social capital in conjunction with the development of physical capital. The argument is that without social capital other forms of capital cannot be mentioned or used properly. The concept of social capital is helpful because it identifies a function of social structure. Social capital is considered the key to more human and sustainable form of development, a development that improves the ability of the collectivity to make decisions. The concept of social capital emphasizes the empowerment of the disadvantaged people, suggesting their involvement in decisions affecting their life.

“Sustainable development is development that not only regenerates economic growth but distributes its benefits equitably, that regenerates the environment rather than destroying it, that empowers people rather than marginalizing them. It gives priority to the poor, enlarging their choices and opportunities and providing their participation in decisions affecting them. It is the development that is pro-poor, pro-nature, pro-jobs and pro-women and pro-children”. (UNDP 1994:4).

The concept of sustainable human development seeks to focus attention on the ultimate objective of development namely, the increase in opportunities for the people to lead a productive and satisfying life. It seeks to re-strengthen the human dimension of development by focusing development strategies and policies on people, putting people first and at the centre process of the development. It seeks to promote a vision of development that centers on people’s choices and need of capabilities that does not undermine the need of present or future generations. It is concerned with investing in people by encouraging their participation in the development process and meeting their needs, as well as generating the opportunities for them to pursue their aspirations.
It places a marked stress on participatory involvement of people in the design and implementation of human development strategies and programs.

2.3.3 Rural Development

Rural development has been in and out of the notice of political decision makers many times, but again it is in and this time it is expected to be an integrated effort. Rural development is an elastic concept and every one interprets it in his own way, but the broad consensus is that more emphasis should be given to those rural development activities, which mainly concern the rural areas.

2.3.4 What is rural?

We, very often, talk about the term ‘rural’ without having any scientific definition in mind. The presumption is that everyone understands the meaning of the term. In a broader way, it could be said that a village is one which people call a village. But this, however, does not provide us any precise meaning of rural. However, in formal records there has always been a need to define ‘rural’ in specific connotation. All over the world, governments have defined ‘rural’ in statutory terms. The U.S Bureau of the census, thus, defines rural community on the basis of population, size, incorporation and density, (Doshi and Jain 1999:99) though, such an arbitrary definition of rural community may be subjected to criticism, and it serves the purpose of government. In our county also similar effort has been made. For the purpose of the government functioning, the term ‘rural’ is defined in terms of revenue. On population size, for the Indian government, the village means a revenue village. It might include one big village or a cluster of small villages. However, for census commission, a village is that
which is identified by its name having definite boundaries. The census of India has defined a village as under:

The basic unit for rural areas is the village which has definite surveyed boundaries. The revenue village may comprise several hamlets but the entire village has been treated as one unit for presentation of census data. In surveyed areas, like villages within forest areas, each habitation area with locally recognized boundaries within each forest range officer’s beat, was treated as one unit (Doshi and Jain 1999:100).

2.3.5 Rural People

Despite the civilizational unities, the rural and urban communities differ among themselves on the basis of physical and socio-cultural environment, way of life, norms and values, and a large number of other factors such as density of population, birth and death rates, economic activities, poverty, caste and class, family and religion. These are some of the vital social organizations which characterize a rural community and differentiate it from an urban community. We shall discuss some of the social and cultural aspects of rural communities. We would reiterate that sociology, i.e., the web of social relations, which is found among the people of rural communities, makes it specific for rural habitation (Desai 1990:14).

2.3.6 Determinants of Rural Formations

On a broader plane if we look at the general characteristics of rural communities as are found in contemporary India, we would find in most of the rural life that there is not much differentiation from its counterpart, the urban communities. In the wake of development planning we would find that much
advancement is observed in villages. A large number of them have received electricity, in a few villages water supply has also been produced, there is an increasing network of roads and transport and above all some facilities of education and health are also provided to the village people. The difference in rural and urban life in the contemporary context thus is much reduced.

As a matter of fact, it is dangerous to define rural community and the way of life in rural India in terms of the introduction of modernization. The way of rural life as is found today is considerably specific to a number of historical, physical, social and cultural factors (Doshi and Jain 1999:102).

Rural sociologists have argued that social life or rural way of life is the result of the interplay of a few factors. These factors have determined the social formation of village life. Whether caste, kin, clan, polity or economy, all these have been determined by a set of factors which are specific to the village habitation. We would discuss the sociological characteristics of India’s rural life within the frame of these determinants. They are as under:

2.3.6.1 Geographical Environment

(a) Location (b) Climate (c) Topography (d) Natural Resources (e) Isolation

2.3.6.2 Social Environment

(a) Predominance of primary group contacts (b) Social differentiation (c) Social stratification (d) Migration and mobility

2.3.6.3 Cultural Environment

(a) Simplicity of cultural expression (b) Social control (e) Rural
knowledge and skills (d) Levels and standards of living.

It is fashion in the study of rural social life to argue that rural life can hardly be differentiated from urban life. The general principles of caste and class are not specific to rural and urban life. They have a comprehensive spread all over the country. Quite like these formations the polity and economy in the present context of globalization and liberalization can hardly be differentiated in terms of rural and urban settings. On the other hand, there is a controversy among rural sociologists as to whether rural urban differences occur in dichotomous fashion along a continuum. In other words, the dichotomy stands for contrast in both the communities. On the other hand, the proponents of the continuum theory feel that rural urban differences only occur in relative degrees in a range extending between the two polar extremes - rural and urban.

The rural development activities are agricultural growth, the putting up of an economic and social infrastructure, fair wages as also housing and house-sites for the landless, village planning, public health, education and functional literacy, communication etc, .Thus it focuses attention on two aspects.

1. Economic development with a close interaction between other different sections and sectors, and

2. Economic growth specifically directed to the rural poor. The thrust of attention in all the special programs is towards the rural poor, not only in terms of providing incentives for development but also linking of economic activities into a well-planned infrastructure. In this multi-pronged effort involving development and consideration of resources land, water and human, the objective is to raise the standard of living and the
quality of life, particularly of the rural poor. Rural development thus encompasses both the spatial and functional integration of all relevant programs bearing on increased agricultural production and provisions of gainful employment among the rural people (Department of Rural Development 1978:2).

According to a World Bank paper, rural development “is a strategy to improve the economic and social life of a specific group of people, the rural poor including small and marginal farmers, tenants and the landless (World Bank 1975:3). The term ‘rural’ means an area which is characterized by non-urban style of life, occupational structure, social organization and settlement pattern. Development is defined in terms of technological or industrial development. But development of rural people means raising the standard of their living. It is the development of rural areas through the extension of irrigation facilities, improvements in the techniques of cultivation, expansion of electricity, constructions of school buildings and provision of education facilities, health care roads etc (Tiwari and Sinha 1988:1).

Uma Lata defined “rural development in terms of raising the standard of living of rural people” (Lata 1975:23). One sociologist named Crops has defined rural development as a “process through collective efforts, aimed at improving the well-being and self-realization of people living outside the urbanized area. He further contends that the ultimate target of rural development is people and not infrastructure and according to him one of the objectives of rural development should be to widen people’s range of choice” (Crops 1972:517).

Mishra and Sunderam define “rural development as not merely
development of rural areas but also the development of quality of life of the rural masses in to self-reliant and self sustaining modern little communities. Rural development is, therefore, development of rural areas in such a way that each component of rural life changes in a desired direction (Mishra and Sundaram 1979:4). Another scholar, Lassey, emphasizes that the focus of rural development should be on:

1. Preservation of ecological integrity with a view to providing a continuous supply of life-supporting resources,

2. Efficient and appropriate land use

3. Healthy living conditions

4. An aesthetically pleasing environment

5. Effective socio-economic and governmental institutions.

6. Improved human welfare in terms of minimum economic and social level.

7. Physical structure adopted and landscape of pleasing design.

8. Comprehensiveness, that is the full range of physical biological and human factors in ruins (Lassey 1977:2)

Integrated Rural Development had been defined by Sharma and Malhotra as a systematic approach aiming at total development of the area and the people by bringing about the necessary institutional attitudinal changes and by delivering a package of services through extension methods to encompass not only the economic field, ie, development of agriculture, rural industries, etc., but also the establishment of the required special infrastructure and services in the areas of health and nutrition, education and literacy, basic amenities, family planning etc, with the ultimate objective of improving the quality of life in the rural areas (Sharma and Malhotra 1977:16).
Thus, rural development is a multi-dimensional process which includes the development of socio-economic conditions of the people living in the rural areas, and ensures their participation in the process of development for complete utilization of physical and human resources for better living conditions. It extends the benefits of development to the weaker and poorer sections of rural society. It also enhances both the capacity and capability of administrative and socio-economic development agencies, agricultural marketing and units working in the rural areas.

2.3.7. Rural Development and Poverty Alleviation

“Poverty created not by the poor but by the system, theories taught in class room”- delivering the second Rajeev Gandhi oration at the university of Mumbai, Mohammad Yanus, award winner of Nobel Peace Prize in 2007, said “human beings not only enjoyed making money but were also being good to others” (The Hindu 2007:9).

Poverty is a complex socio-economic state characterizing particular families in a given society. It is a social determinant because it depends substantially on the structure of class and family as well as social attitudes and values which render it undesirable. It is regarded as a condition of economic inefficiency and social and political exclusion. The identification of the poor depends partly on how we define poverty. The definition of poverty in terms of subsistence level of living has been accepted widely for the simple reason that it is an objective definition and it accords well with commonsense. (Deaton 2003:322) Poverty is defined as lack of income to acquire the minimum necessities of life. It is the cut-off point which distinguishes the poor from the non-poor. Low income is the hallmark of poverty. Poverty is also defined as
falling below the minimum standard of income. A realistic definition of poverty pays sufficient attention to the actual consumption pattern. Poverty has been identified mostly with the discussion of want or deprivation, measured by ascertaining the minimum nutritional flows and by estimating the minimum income necessary to purchase these flows. Poverty is usually measured by the quantum of income per head. In some other definitions of poverty the percentage of family expenditure on food is taken as an indicator of the level of living—the higher the percentage, the lower the level of living. The poverty line is generally drawn at the minimum income which is necessary to purchase the minimum nutritional flows. This varies between countries at a moment of time and for the same country over a period of time. But the relative concept of poverty may not be of operational use.

One outstanding characteristic of poverty is that it is more marked among certain sectors of the economy, certain groups of people and certain regions or localities. It is related to the average incidence of economic growth in particular classes and regions, for example rural poverty cannot be isolated from economy wide poverty (Sunderam and Suresh 2003:1392). In technical term poverty may be explained with the help of the term “growth”. It is partly due to underdevelopment. It means an inadequate rate of growth, which is caused by lack of capital. The term underdeveloped indicates poor and underdevelopment signifies poverty. Underdevelopment does not simply denote backwardness. It represents general and increasing poverty. It makes the conflict between equity and growth more intense.

2.3.7.1 Nature of Poverty

Poverty becomes a problem when it is considered undesirable either by
the persons concerned or by others. As Amartya Sen puts it “Much about poverty is obvious enough. One does not need elaborate criteria, cunning measurement or probing analysis, to recognize raw poverty and to understand its antecedents. It would be natural to be impatient with long worded academic studies on poor naked wretched with houseless heads and unfed sides and ‘looped’ and windowed raggedness “to use king lears graphic description. And further more it may also be the case the blind Gloucester that a man may see how this world goes with no eyes”. There is indeed much that is transparent about poverty and misery (Sen 1986) Poverty thus indicates depreciation or some sort or other but beyond that there is no uniformity as to what constitutes poverty. On conceptual level, poverty is distinguished between absolute and relative

2.3.7.2 Absolute Poverty

As per Kamta Prasad, ‘absolute poverty is that concept of poverty which implies non-fulfillment of the objectively determined minimum standard of physiological need considered essential for human beings (Prasad 1975:4). The measurement of absolute poverty involves stipulation of a minimum level of per-capita consumer expenditure which is adequate for purchasing the goods and services needed for the purpose. People who have income less than this figure are considered poor. However difficulties arise when what is to be included under essential needs and what is to be excluded has to be specified.

As per Robert S.M.C Namara, “poverty” is a condition of life so characterized by malnutrition, illiteracy, disease, squalid surroundings, high infant mortality and low life expectancy as to be beneath any reasonable definition of human decency”. (Namara 1978:163) While there is still
disagreement about what should be the exact measurement of poverty, it has to be as simple as possible so that it can be applied by the field functionaries at the local level for identifying the poor and taking the required measures for the upliftment of the rural poor. As M. Mukherji puts it "A person of a particular age group and sex on a particular day in a particular part of the country and carrying on a particular activity has a basic need vector defined by certain physical quantities of food and other essential items of consumption. The vector changes with age, sex, seasonality, type of activity and geographical climate features of the place. Also if some needs are met for part of the year, the requirements may be less during other parts of the year. The simplest approximation that can be used here is to assume a distribution of the minimum needs vector each element of which having a specific mean and dispersion (Mukherji 1981:2)

2.3.7.3 Relative Poverty

As per this concept poverty, the whole population of the country is stratified on the basis of the income and then the living standard of the highest and lowest income groups are compared. Persons having a standard of living below a certain cut-off point fixed in the light of the income distribution of the population are viewed as poor. For example, the level may be fixed at half the median point of the distribution or it may be measured in terms of full dispersion between the highest and lowest standards.

2.3.7.4 Generation of Poverty

Poverty is not static. It has a replicating effect. As per S.P. Gupta an eminent Sociologist "Low occupation, unsanitary shelter, bad health, low education, large family and powerlessness all combine to generate poverty.
Poverty is undesirable not only from individuals’ but also from society’s viewpoint. People must not be allowed to become so poor that they offend or are hurtful to society. It is not so much the misery and plight of the poor but the discomfort and cost to the community which is crucial.

### 2.3.7.5 Poverty Line

Any measurement of the extent of poverty relate to a hypothetical poverty line which corresponds to a certain level of living (Lal 1988:4). The Indian labour conference in the year 1957 mooted the concept of defining the poverty line and stressed the need for drawing the poverty line. (IFMR Report 1987:21)

In the Year 1962, the Planning Commission set up a study group to define poverty line. The study came to the conclusion that a per capita consumption expenditure of Rs.20 per month at 1960-61 prices would provide nutritious diet in terms of a minimum calorie intake and allow for a modest degree of expenditure on consumption items other than food. This itself is taken as the poverty line B.S.Minhas took two cut off points, one suggested by the working Group of the planning commission at Rs. 240 per head per annum and second at Rs. 200 per head per annum (Minhas 1970:246)

Planning commission observed that various ways of measuring absolute poverty have been suggested under Indian conditions and depending upon the norms used, 40 to 60 per cent of the population of India fall below the minimum acceptable standard (IFMR Report 1987:27)

The CDS strategy [Community Development Strategy] a modified version of SHG was introduced in 1993, as part of implementation of the centrally sponsored Urban Basic Services for poor [UBSP] and UNICEF-assisted
Community-based Nutrition Programme. This scheme propounded a new method of measuring poverty. It is a transparent process using the nine point non-economic criteria. The nine factors identified are:

1. Scheduled caste and tribes
2. Only one or more adult family member being employed
3. Kutcha or thatched house
4. Lack of house hold sanitary latrines
5. Non-availability of drinking water
6. Family having two meals or less per day
7. Regular use of alcohol by a family member
8. Family having at least one illiterate member
9. Family having at least one child below five years of age [Anand 2002:5]

2.3.7.6 Poverty Reduction through Rural Development

In order to bring down poverty in rural India, the central and state governments are to re-look at rural development projects. Emphasis on Panchayat Raj System becomes effective in unleashing the productive potential of agriculture. Examine rural development programmes afresh considering the prevailing condition. Revamp the rural development programmes to make agriculture an engine of growth. Ensure a system of providing grants to districts based on incidents of poverty. Prevent diversion of funds meant for panchayat, and their timely transfer also accountability regarding utilization of funds. State’s co-operation is essential to implementation of Panchayati Raj. Stabilization
policies coupled with the structured reform policies, should ultimately result in accelerated growth which is the best answer to poverty.

Poverty is a global evil. However, the incidence of poverty varies from society to society and from time to time. While the people’s perceptions of poverty vary, ultimately all of them agree that lack of resources to meet minimal needs characterizes poverty. While poverty is a result of physical, economic and social situations, the efforts of the government, by and large, have succeeded in reducing the incidence of poverty.

2.3.8 Strategies and Approaches to Rural Development

For the development of the rural population several efforts have been made by the central and state governments. These efforts and strategies can be grouped thus:

a) The Multi-purpose Approach

b) The Minimum Package Approach

c) The Target Group Approach

d) The Area Development Approach

e) The Spatial Planning Approach

f) The Integrated Rural Development Approach

g) The Employment Guarantee Approach

2.3.8.1 The Multi-purpose Approach

Rural development approach in India began with the Multi- purpose
approach. The community development programme started in 1952, aimed at developing to the fullest extent the material and human resources of an area through the co-operative efforts of the people and the active help of the state. It was essentially an educational and organizational process as it dealt with changing those attitudes and practices which were obstacles to social and economic improvement. (Jain 1971:237)

The rationale of the approach was that all the aspects of rural life are inextricably interlinked with each other. Thus, agricultural development is not possible without the spread of education and improved standards of health of the rural people, other crucial factors for rural development include roads, irrigation, electricity, communication and rural industry. The activities of the CD programmes included agriculture and animal husbandry, irrigation cooperation, village and small scale industries, health and sanitation, education, communication, housing etc. The aim was to raise the standard of living, thus promoting social welfare, social justice, a cooperative way of life and community cohesion and also building up the democratic organizations and institutions of the people. The problems as a whole was to coverage on the totality of human development, therefore, the destination of CD programme was man. (Sharma and Malhotra 1977:21)

After sometime, it was felt that the CD programme was too diffused to give concrete results, and due to limited finances, a Multi- pronged attack was not possible and certain priorities had to be drawn up to solve the problem of food shortage. A more specific, limited purpose or minimum package approach was considered to be the way out.
2.3.8.2 The Minimum Package Approach

It is a limited purpose approach which takes up a particular area at a time and tackles it in depth. This approach was used for higher agricultural production and marketable surplus. A package programme was launched as the Intensive Agricultural District Programme (IADP) in the year 1960-61. IADP advocated a selective area approach to agricultural development and the achievements of intensity of cropping (Sen and Purendu 2001:3). The programme was further separated for commodity-wise production programmes of cotton, jute and sugarcane. This approach helped only the richer farmers in the rural areas, so its utility was limited and the Green Revolution failed to bring any greenery to the rural poor who continued to remain pale.

2.3.8.3 Target Group Approach

In this approach a particular group is taken up for in depth studies and plan priorities are accordingly modified. Recognising that the small farmers/marginal farmers and land-less labourers’ problems are different from those of the bigger ones, separate programmes like the SFDA/MFLA were started for their development, like wise, an intensive programme for child development was also operated. The Antyodaya scheme is a target group approach. This approach produces a client- oriented design and the ultimate goal is to transfer all the responsibilities of planning and development to the clientele themselves (Singh and Ali 2000: 88)

2.3.8.4 Area Development Approach

In this approach emphasis is laid on the development of the under-developed regions. The area development approach presumes that the growth
centers have an even geographical spread effect and that the benefits of development percolate to the lower levels over a period of time. Under this approach, a pin-pointed area is taken for development. A backward area is identified for concentrated efforts, such as DPAP, TDP, CAD, Hill area Development etc which comes under this approach. Integrated area development requires detailed action and co-operation from credit and service organizations in several disciplines like irrigation, soil conservation and agricultural extension as well as the building up of the basic infrastructural facilities in the fields of communications, Irrigation, land development, processing, marketing, etc. This approach has three major potential dangers:

1. The schemes may concentrate on disproportionate share of the resources on providing benefits to a group that is relatively small in relation to the overall size of the national target group.

2. The schemes tend to suffer from a programme design that is too ambitious and complex, calling for exceptional leadership that cannot always be made available on a sustained basis.

3. There may be distorted priorities in the allocation of resources among sectors. (World Bank 1975: 47) The success of this approach depends upon the removal of these basic constraints.

2.3.8.5 Spatial Planning Approach

The need for appropriately locating all the special programmes in their respective fields, the induction of production plans, the full employment schemes and the supply of the basic needs of the rural population, all demand that the plan formulation and implementation strategy should be more rural oriented. In the fifth plan, Multi-level planning was very much emphasized and it was argued
that since more intimate, precise and detailed knowledge about physico-geographical, techno-economic, socio-political and organizational administrative condition is available, planning for activities which have strong local foci is more fruitfully undertaken at the district level, therefore, under this approach the progress was much slower owing to a number of other factors affecting the national plan formulation. The paucity of the techniques and the weakness in conceptualizing area-level improvement in the national context, led to the compilation of all the visualized needs as a district plan. Generally the attempts ended up in a desegregation of the state plan allocations from district-wise to department-wise. Now block-plans are advocated not as the best for rural development unless all the programmes are related to a spatial level and the projects included as a part of the block plan, a well meaning and well synchronized rural plan of action will become difficult. The approach was to bring under close action strategies relevant to the acceleration of integrated area development around potential growth centers but the scheme was not pursued beyond the pilot stage. Spatial planning in India is at the cross roads and the efforts made so far can at best be said to be half hearted, sporadic and often self-defeating.

2.3.8.6 Integrated Rural Development Approach.

The integrated rural development approach has a unified field unlike the multipurpose approach. It is a plan of action. It comprises four types of activities, namely, increased productions in agriculture and allied sectors such as animal husbandry, fishery, forestry and horticulture. It lays emphasis on village and cottage handicrafts and tiny industries, tertiary sector which would cover artisans and the requirements of skilled workers in several rural activities and finally
labour mobilization which includes training in skills and organized employment for labour class. (Singh and Ali 2000:70) The programme prepares a resource inventory, a house-hold survey and man power budgeting and above all, suggests people's involvement in most of these programmes. Thus, the integrated rural development approach is not a package deal but a combination of the relevant activities suited to the local situation and priorities. This approach lacks a clear understanding of integration. The concept of rural development is sufficient and thus to avoid confusion, there is no need to speak about integrated rural development

2.3.8.7 The Employment Guarantee Approach

While launching the programme on 2nd February 2006 in the presence of U.P.A Chair person, Sonia Gandhi, Prime Minister Dr. Man Mohan Singh hailed it as a "land mark in our history in removing poverty from the face Nation". (The Hindu 3rd Feb, 2006) The National Rural Employment Guarantee Act 2005 provides a legal guarantee for one hundred days of employment in every financial year to adult members of any rural house hold to do public work-related unskilled manual work at the statutory minimum wage.

Every house-hold in the rural areas of India shall have a right to at least 100 days of guaranteed employment every year for at least one adult member, for doing casual manual labour at the statutory minimum wage, and to receive the wages thereof within 7 days of the week during which work has been done, in accordance with the provisions of this Act and the programme made there under. This Act was introduced with the aim of improving the purchasing power of the rural people, primarily semi or unskilled workers to people living below poverty
line. It attempts to bridge the gap between the rich and poor in the country. Roughly one-third of the stipulated work force must be women.

The Act is an important step towards the realisation of the right to work. It is also expected to enhance people’s livelihoods on a sustained basis, by developing the economic and social infrastructure in rural areas. The choice of works seeks to address the cause of chronic poverty such as drought, deforestation and soil erosion. (Wikepedia, the free Encyclopedia) Effectively implemented, the employment generated under the Act has the potential of transforming the geography of poverty. This work guarantee can also serve other objectives: generating productive assets, protecting the environment, empowering rural women, reducing rural urban migration and fostering social equity among others.

2.3.9 The Development Challenges in Rural India

India is emerging as a major power with the economy registering high growth rates and our cities and urban centers beginning to display marks of affluence. Yet there is no uniform development, the rural hinterland not being able to march in tandem with urban India. More than 70 percent of our people live in villages and 80 percent of our poor also live in rural areas. The benefits of economic growth are not percolating to more than two-thirds of the people. The visible symbols of developments should not make us forget the problems of the rural areas.

The Indian economy is the fourth largest in the world. But the growth pattern is not uniform. While the rate of growth for manufacturing, services and communications sectors has substantially improved, in vital sectors such as
agriculture, infrastructure development, and community and social services, and in rural development as a whole, our performance is not appreciable. Without the development of rural people, the country can never claim to be developed.

Rural India is in crisis. As M.S. Swaminathan, the distinguished agricultural economist said, "The agrarian crisis has its roots in the collapse of the rural economy.... unemployment leading to out-migration of the asset-less is growing. The minimum support price mechanism is not operating for most commodities. At every level of the livelihood security system, there is a tendency to make profit out of poverty. Something is terribly wrong in the country side” (The Hindu, 4th April, 2007). Today, finding themselves helpless in the face of adversities of various kinds, the peasantry in parts of the country is resorting to extreme measures. Repeated crop failures due to unpredictable climate variations, inability to meet the rising cost of cultivation and the increasing debt burden are among the factors leading to frustration. In such a scenario, meeting the challenges of rural reconstruction becomes a formidable and priority task.

Agriculture being the mainstay of our economy, it is imperative that we have a comprehensive and time-bound programme to extricate the sector from stagnation. Larger irrigation facilities, better seeds, agri-inputs, and fertilizers at reasonable costs will have to be provided to farmers, along with finance and infrastructural and marketing facilities. Agriculture must become an income generating activity and farmers should not be left to the vicissitudes of weather, financial resources and markets.

The efficiency and potential of the co-operative movement in addressing the problems of rural India stand proved. Since rural development essentially
encompasses a multi-disciplinary approach there must be an inbuilt mechanism to involve people in the conceptualization, planning and management of any rural development programme, particularly relating to crop production. Self help is the best help. Self-help groups are examples of the new “social economy” emerging in India. Collectively they represent a large net work of grass roots entrepreneurs to generate incomes in rural areas. We must encourage them for they can transform rural India by unleashing the entrepreneurial energies of ordinary Indians.

2.4 Conclusion

The theoretical explanation of the concept of social capital reveals the fact that, it acts as a major source for the development of any society especially in its rural aspect. The enquiry into the concept of social capital touches almost all aspects of the idea including ‘what is social capital?’, its historical evolutions, types of social capital, social capital and development, the role of state in the formation of social capital, the role of social capital in the process of poverty eradication etc.

The study of social capital encompasses all aspects of rural development which is intertwined with the concept. It becomes clear from the enquiry that rural development will be the sum total of influences of social capital accumulated in the region. For a better and systematic analysis of the impact of social capital in the process of rural development, maximum care has been given to assess the various aspects of rural development. Here emphasis is given to what is development, what is human development, the importance of rural development, major determinants of rural formation, what is poverty, the inverse
relationship between rural development and poverty, different strategies to be adopted in the process of rural development etc.

In short, it becomes crystal clear from the theoretical analysis of the concepts of social capital and rural development that both are complementary and contributive to each other. Social capital needs to be generated if a society wishes to go ahead in the process of rural development. The level of social capital may be taken into account as a valuable criterion for assessing the level of rural development. Again rural development aims at, among other things, the reduction of poverty in the rural stratum of society. Therefore, the theoretical understanding of the key concepts like social capital, rural development and their positive impact in the process of poverty eradication provided a strong foundation for the detailed enquiry of the same in the universe of the present study which emerged as the basis for the ensuing chapters.