CHAPTER-VII

SUMMARY AND CONCLUSIONS

1.1 Economic development in our country has been undertaken with a view to harness the man power resources and help raise the standard of living of the people. Over the last fifty years, growth and development have been substantial in our country but the fruits of development have not been distributed in an egalitarian way. Even today, the two basic problems, namely, poverty and unemployment are haunting the country.

1.2 Economic theory has contributed a lot towards the cause of under-development and many theories to bring about economic development are suggested. Some of the theories deal with shifting of unemployed labour from one sector to another, especially, from traditional and subsistence sector to modern and industrial sector. Even this process is recommended as a test of economic development (Simon Kuzenet). Two important theories namely, Lewis theory of un-limited supply of labour and Ranis and Fei's theory of economic development have been examined in this context and their severe limitations in application to the developing countries like India are highlighted.
1.3 India has been making serious attempts to bring about economic development to fight poverty and unemployment. Different strategies have been adopted for the purpose like 'Growth and Development' emphasising productivity, then 'Growth with Social Justice' emphasising equity and in recent times competitiveness with liberalisation. The capital-intensity in the earlier period, the technological development later and competitiveness now have failed to solve satisfactorily the problems of poverty and unemployment. A new dimension is added now namely, sustainability and environmental degradation. This may further reduce the scope for eradicating poverty and unemployment. Hence, the need for rural employment programmes.

1.4 The present study has reviewed the impact of employment programmes at macro-level with the data available in the official documents. It has tried to expose the defects in the programmes and to suggest ways and means of effective implementation of programmes.

It is with this purpose, the study has the following objectives.

Objectives

1. To study the extent of employment generated.
2. To study the coverage of the programmes.
3. To study the modus operandi of the programmes.
4. To study the methods of evaluation of the programmes.
5. To study the extent of benefits conferred on the community as well as the target groups.

6. To study the extent and the nature of assets created.

**Hypotheses**

The research study aims at testing the following hypotheses.

1. Rural employment programmes have failed to create adequate employment.

2. Rural employment programmes have not touched the target people.

3. Operational aspects of rural employment programmes are defective.

4. The method of evaluation of rural employment programmes is not satisfactory.

5. Rural employment programmes have failed to confer adequate benefits on the community as well as the targeted groups.

6. Rural employment programmes have not created durable and usable community assets.

The study is confined to 10 villages from five taluks of the new Dharwad district.
1.5 For the purpose of the study it has been tried to undertake a micro-level investigation to support or reject the findings of the macro-level results. It has adopted multi-stage stratified random sampling method. It has selected all the five taluks of Dharwad district and in each taluk, two villages are selected at random among the villages where the employment programmes have been implemented. Thus a total of ten villages were selected for study and lastly from each village 20 respondents have been contacted through a structured schedule to collect information. The respondents have been selected from among beneficiaries. The emphasis is on JRY and EAS implemented in the State during the last decade. The investigation has been carried out during the period from March 2002 to May 2002.

2.1 Massive investments have been made which have resulted in substantial growth of the economy. Still they could not make a dent on the crucial problems of poverty and unemployment. The strategies (a) growth and development (b) growth with social justice did not come to the rescue of the rural poor and the unemployed. Hence some direct and drastic schemes have to be implemented so as to alleviate poverty among the rural masses.

2.2 The Central Government, from time to time, has implemented a number of programmes to employ the rural labour during
the slack season and thus help the rural masses to cross the poverty line. They are listed below.

i) IRDP ii) TRYEEEM iii) JRY iv) Land reforms v) DDP vii) Western Ghat Development Programme viii) Khadi and Village Industrial Programme ix) Small Scale and Ancillary Industries Programme x) Handloom Industries Programme xi) Handicrafts Training-cum-Production Programme xii) Agro-based units such as dairy, poultry, sheep-rearing, pig-rearing, bee-keeping etc. and xiii) Chaitanya Scheme. Some of these programmes are implemented by the statutory bodies. All these programmes are directed towards the poor, socially backward and scheduled caste and scheduled tribe population. They provide employment partially during slack season or give them training and financial assistance to get themselves employed throughout the year. The recently introduced scheme, SGRY provides for implementing all the schemes through gram-panchayats. This arrangement would avoid interdepartmental clashes and overlapping of the outlay.

2.3 The State Government has implemented almost all these schemes on sharing basis (80:20). The present study is confined to the evaluation of wage-employment-schemes in Karnataka. It has concentrated on two important schemes, namely EAS and JRY. As far as back in 1978 the government of Karnataka introduced EAS on its own. This is a
supplementary programme of employment as a sort of insurance against long-drawn seasonal unemployment. The objective is to provide gain-full work to the rural poor for 100 days. Only unskilled and manual work was provided. A person seeking work has to register his name in the village panchayat. Work was provided within 6 km from the residence. As far as possible, the works undertaken should result in durable community assets. The EAS of the State was merged with NREP in 1983.

JRY came into operation in April 1989. The then existing wage employment programmes like NREP and RLEGP were merged with JRY. The JRY proposes to give employment to at least one member of each rural poor family for 100 days in a year in the vicinity of the village. Fifty percent of the outlay is used exclusively for the benefits of SC and ST communities. Construction of dwelling units for the poor people belonging to SC and ST communities known as Indira Awas Yojana is also taken up by JRY. A scheme known as MWS designed to provide open irrigation wells free of cost to the poor people belonging to SC and ST communities is also part of JRY.

3.1 Quantitative progress of rural employment programmes has been attempted. The progress during the period from 1994 to 1999 is explained with the help of tables showing financial allocation, employment generation and assets creation. The progress achieved under the two schemes i.e., EAS and JRY
is separately shown in the tables. Critical observations regarding the macro-data available from the government documents are made. In many cases there seems to be no correlation between the amount spent and the benefits derived. It is these schemes which led to a micro-level investigation to examine the effectiveness of the rural employment programmes on the target population.

3.2 The mid-term appraisal of the Ninth Five Year Plan pertaining to JRY and EAS reveals that the employment generated per person is too inadequate; only eleven days of employment is given against 100 days employment promised. The project selected bore no relationship to the local needs. Overemphasis on the creation of durable assets led to the engagement of contractors.

Violation of the guidelines has become the rule rather than the exception. Funds allocated were not sufficient to pay the wages according to stipulations. Rural Employment Programmes have tended to breed corruption. Transparency in these schemes implemented is conspicuous by its absence.

4.1 A schedule was prepared to elicit various details with regard to the family of beneficiaries, socio-economic profile of the beneficiaries, nature of employment secured, amount of wages received, number of days employed etc. The period of investigation is from March to May 2003.
4.2 At the second stage of investigation the problem was that of selecting sample of beneficiaries. A total of 200 beneficiaries had to be selected for the purpose of drawing 20 from each village. For this purpose, the village officials were contacted to obtain the NMRs. However, NMRs were not available in all the cases, and wherever they were available, they did not help the beneficiaries. An alternative strategy was adopted to go to the villages directly and make a list of households benefited by the programmes and among them select 20 at random for collecting data. This is the second stage of field investigation.

4.3 For the purpose of the investigation, two villages from each of the five taluks were selected keeping in view the fact that the selected villages had the rural employment programmes. This is the first stage of sampling. The geographical area and the area under cultivation, the size and the distribution of population are furnished in the various tables. All the ten villages are supplied with electricity. All most all of them have primary schools and Anganwadies. Some of them have primary health centres and Banks. Two of the villages do not have post offices. (Devagiri and Inam Erapur). Only four out of ten villages have primary health centres. No village has any industry, big, small or medium. All the ten villages are predominantly agricultural villages.
4.4 A micro-level investigation is undertaken to test the veracity of the conclusions and findings reported at the macro-level. Dharwad district has been chosen for the study. Formerly Dharwad district consisted of 18 taluks. In November 1997, Dharwad district was split into three parts, creating three districts namely, Dharwad, Gadag and Haveri. The present study is concerned with the new Dharwad district consisting of only five taluks. Geographically, Dharwad has three different agricultural tracks. The Malnad track, the dry track and the mixed track. Hence, Dharwad can boast of raising all types of crops.

4.5 All the 200 beneficiaries belonged to the age group of 18 to 60 years. Of the 200 beneficiaries, 8 were women.

The caste-wise breakup of the beneficiaries is as follows: sixty eight from SC, twenty from ST, forty four from BC, thirty four from Muslim and thirty six from other communities. Forty four percent of them belonged to the weaker sections. As regards the occupational pattern, 70 percent of them were agricultural labourers, fourteen percent of them were marginal farmers and sixteen percent of them were small farmers. Regarding the educational status, ninety two percent of them were illiterate. The average size of the family of the beneficiaries is 3.5 persons. The economic status of the house-holds was decided on the basis of income level. About 76 households have income below Rs.8000 per
year. Ninety two households have their income levels between Rs.8000 to Rs.10000 and 7 house-holds have the income between Rs.10000 to Rs.15000 and only one house-hold has its income of more than Rs.15000 per annum.

4.6 The socio-economic profile of the beneficiaries exhibits the same trends as the study area. Almost all the respondent beneficiaries belong to the age group of 18 to 60 years. Most of the respondents are drawn from the agricultural labourers. As all of them belong to the weaker and poor sections, majority of them are illiterate. Eighty two percent of the respondents earn less than Rs.10000 a year. Taking 3.5 percons as the unit of the family, the per capita income works out to be Rs.240 per month. Among the beneficiaries, the dependent population is more than the working population.

5.1 Rural employment programmes have their roots in the 'garbi-hatao' programme introduced during the seventies of the last century. Various programmes like JRY, PMRY, MWS, SGRY etc. have been tried to help those poor and needy persons, in the rural areas, who are deprived of benefits of growth.

5.2 The present investigation aimed at assessing the impact of some of these rural employment programmes namely, JRY and EAS launched in the State during the last decade. The investigation was carried on in the 10 selected villages from Dharwad district. Two villages were selected from each taluk.
of the district. A schedule was canvassed to the respondents (200 in all) to collect the information regarding the nature of employment given, the number of days of employment given, the amount of wages paid for the work the place where the programme was implemented and the benefits that accrued to the target population.

5.3 The investigation surprisingly showed that none of the respondents had any knowledge of the detailed stipulations of the programmes.

5.4 The guidelines issued by the government stipulate that a register has to be maintained showing the names of the willing to work. It further stipulates that the family cards should be issued to each of the registered workers giving details about 1) the names of the family members with sex and age ii) the nature of employment given iii) the number of days of employment given iv) the place of work and v) the amount of wages given. It is disheartening to note that neither the registers nor the family cards were available for scrutiny.

5.5 There is a wide and yawning gap between the expected and the achieved. The efforts of the implementing agencies of rural employment programmes have only resulted in creating unsteady and unstable employment.
5.6 The guidelines issued by the government were flouted and employment was not given for 100 days. Proper representation was also not given for SC, ST and women.

5.7 A study made with regard to the instability of employment created by the taluk Panchayats and Zilla Panchayat reveals many important and interesting details:

i) The range as a variation between the highest and the lowest number of persons employed and the number of days of employment has exhibited considerable and wide variability in all the villages in respect of the Taluk Panchayats and the Zilla Panchayat.

ii) There is a considerable and wide gap between the number of days of work stipulated to the workers and the actual number of days of work offered by the schemes in respect of each and every village.

iii) The number of persons offered employment by the Zilla Panchayat is five times unstable than that created by the Taluk Panchayats in respect of the average for all the villages taken together.

5.8 To prevent the unwanted workers from taking jobs, many restrictions were placed for their eligibility. For example, those who bring the required implements for work were alone allowed even though there is a provision for purchasing them. Forty percent of respondents suffered from these restrictions.
5.9 Many of the projects were executed by the contractors. According to the guideline, contractors are forbidden to take up work.

5.10 There is a guideline for taking up construction of durable community assets. There is a built-in contradiction in the guidelines. If the asset is to be durable, it has to be undertaken by the skilled workers. On the other hand, if unskilled workers are to be employed, the asset cannot be durable. Secondly, the works are not undertaken on a continuous basis which also affects the quality of work.

5.11 Sixty eight percent of the respondents reported that the projects were executed by the skilled masons and eighteen percent by the contractors which go to restrict the scope for unskilled workers.

5.12 If the target population is to be really benefited, more members from each family should be employed sufficiently for a long period. In ninety percent of the cases only one member is employed, and that too, on an average of 20 days during the coverage of the project. This is a pittance. For employing the people throughout the slack season, projects involving more and more manual labour are to be selected. This is not being done.

5.13 Though there is a provision for supplying the part of wages in kind i.e., foodgrains, in no village, foodgrains have been distributed. The purpose of distributing foodgrains at
subsidised prices is to insulate the poor people from the effect of rising cost of living. In the present case, instead of insulating them from the rising cost of living, they are exposed and are made to suffer. In addition, it has given rise to exploitation of poor families by village moneylenders and traders.

5.14 It is found by the investigation that the payment of wages was not according to the rates fixed by the government. Sixty two percent of the respondents reported that they were paid less than the stipulated wages.

5.15 The whole scheme of implementing the rural employment schemes is to extend benefits to the target population. Effectively implemented schemes can bring about a lot of benefits to the rural population. Contrary to this, in all the 10 villages, all the beneficiaries reported that the programmes helped to some extent in maintaining normal consumption during the period of implementation. They could not enjoy any extra benefits from the implementation of rural employment programmes.

5.16 A Glimpse of the employment programmes implemented during the period from 1998 to 2001 is given. The programme was implemented in the five spells, a total of 648 people were employed for all the five spells taken together. The average works out to be 13 people per village per spell. The investigation showed around 10 days of employment was
given in each village. These two results show that the employment programmes are content with scratching only the surface.

5.17 Analysis of data in respect of wages paid revealed that they varied between Rs.26 to Rs.33 per day. Taking the average to be Rs.30 per day, a worker would get Rs.300 for the entire slack period covering all the five spells. This provides for nothing more than just maintaining normal consumption.

6.1 The information about the rural employment programmes do not reach the target population which is poor and illiterate in spite of the enormous progress in communication technology. The time-old system of tom-toming is still needed.

6.2 The programmes stipulate maintenance of a register of eligible and willing labourers from the villages. It is observed that this rule is not strictly followed. Either registers are not maintained or even if they are maintained, they lack credibility.

6.3 It is also stipulated in the guidelines that the family cards should be issued to the workers. This is never done.

6.4 The workers are not aware of the details of the rural employment programmes, that is to say, the number of days of work, the place of work, the type of work, wages to be paid etc. are not known to the workers. This gives scope for manipulation.
6.5 The implementing agencies seem to be placing restrictions on the workers whom they do not want to employ. In the absence of full knowledge about the guidelines many genuinely needy workers are likely to be kept out.

6.6 The investigation has shown that the number of workers employed is very low; the number of days of work offered is far below the norm. Hence, it does not serve the purpose.

6.7 In many cases, employment programmes are executed by urban contractors. This practice deprives the genuine workers of the benefits.

6.8 The investigation has revealed that the implementing agencies do not have the ready projects worked out in detail. Adhoc programmes are implemented on adhoc basis. The work-sites are also not in the vicinity of the villages.

6.9 The government has taken care to insulate the target population from the effects of the rising cost of living. They have suggested that part of the wages should be paid in kind in the form of cheap and subsidised foodgrains. In none of the villages distribution of foodgrains is attempted.

6.10 Part of the blame for ineffective implementation, is due to administrative and financial hurdles. It is necessary to stream-line the administrative procedures and release the funds well in time so that the programmes can be implemented properly and effectively.
6.11 The intermittent nature of the programmes comes in the way of undertaking works involving durable assets for the community.

6.12 It appears that those who execute the work systematically following the guidelines are punished, that is to say, if they show spill-over in expenditures, they will face the cut down in the allocation for the next year. Thus, they will execute the works in a hurry-burry manner and spend the allocated money for the year.

6.13 There is need for changing the contents of the programmes. Rural housing scheme has lot of scope in using local resources and offering maximum employment to the rural labour. Improvements in the land is another such avenue which offers a lot of scope for employing rural labour. It helps in improving the productivity of land. Even private agricultural lands could also be taken up for improvement on some agreed basis for sharing the expenditure between the Panchayat and the private individuals.

6.13 A) A new development which also offers maximum scope for employing rural labour and helping the rural community is the development of village-ponds. The whole country, especially the south, is facing water famine in recent years. There may be various causes for its occurrence like irregular and insufficient rainfall, faulty agricultural practices, using excessive water, environmental degradation, soil erosion, de
forestation etc. It is against this background, preservation of water, retaining soil moisture, increasing the level of sub-soil water etc. acquire a lot of significance. India is a land of villages and ancient and medieval rulers took pride in constructing and maintaining reservoirs with surplus labour available in the villages. Ponds for each village or for a group of villages is an ideal solution to face the water famine. The entire work has to be carried on with manual labour. Arrangements should also be made for strict monitoring of the water use and to ensure that the poor and weaker sections are not deprived of water use. In addition, a village pond would bring about agricultural productivity and all-round production rendered possible by intensive cultivation. A third advantage is that it would arrest the migration of the rural labour to the urban places during the slack season.

6.14 In the course of investigation, it is found that there has been unnecessary duplication of the agencies. There is also overlapping of departments implementing the employment programmes leading to wastage of financial resources. There is need for the inter-departmental co-ordination and execution of the programmes by single agency like land army.

6.15 The unit for implementing the rural employment programmes has to be properly decided. A gram-panchat would be too small and a Zill-Panchayat may be too big.
Hence, the ideal would be the Taluk-Panchayat or any unit between the Taluk-Panchayat and then village-Panchayat consisting of the group of village-Panchayats.

6.16 To avoid the administrative and financial delays, a rural employment fund could be created out of which two thirds of the amount could be realised immediately and the remaining after proper scrutiny and screening later.

6.17 Effective monitoring and supervision are necessary to ensure the maximum benefits to the target population. A non-party, and a non-governmental committee may be entrusted with the task of approving the projects and supervising it throughout.

6.18 With not-so-happy experience with regard to formulation, execution of the programmes, alternative machinery can be thought of. A Statutory Rural Employment Board can be constituted. It should be free from governmental and political interference. It may have sub-offices at gross-root level. The board should prepare a register of willing workers in each village which should be brought up-to-date from time to time. The board or its sub-offices should keep ready at least a dozen of projects in consultations with the local non-party agencies. The village sub-offices should be entrusted with the execution of the projects. A local non-political and non-governmental body should supervise the operations and give necessary guidance.