Chapter 7

CONCLUSION

As indicated in the introduction, the specific objectives of this study in the context of Haryana were:

(i) to give a brief introduction to the economy;
(ii) to examine the issue of poverty;
(iii) to assess the trends in employment and unemployment as a consequence of the effect of population growth on the rate of participation in economic activity;
(iv) to examine the implementation and the impact of land reforms;
(v) to analyse the levels and the trends in agricultural wage rates; and to examine the inter-district variations in the wage rates;
(vi) to conduct a survey of the evolution of development planning literature which has played some role in shaping the formulation of Indian development policy; and to review the integrated child development scheme; and
(vii) to make suggestions for the better formulation and implementation of development policy in
future so that the problems of poverty and unemployment can be tackled with more effectively.

It has been pointed out in this study that the movement of 'net state domestic product at factor cost' during the 1980s has been continuously increasing both at current prices and at 1980-81 prices. Almost similar situation has been in case of per capita net product during this period. As regards the sectoral distribution of the state domestic product at 1970-71 prices while the share of primary sector has declined from 67% in 1970-71 to 48% in 1985-86, the shares of the secondary and the tertiary sectors have increased from 15% to 20% and from 20% to 32%, respectively, during this period.

The index of agricultural production has gone up from 121.22 in 1969-70 to 195.36 in 1985-86. The index of productivity of net area has gone up from 119.58 in 1969-70 to 193.62 in 1985-86. In the case of other indices such as net area sown, cropping intensity etc., the trend is the increasing number. Similarly, the general index of industrial production in Haryana has gone up from 119.97 in 1971-72 to 334.55 in 1985-86.
As regards the trends in poverty in the state of Haryana, the present study points out that the poverty ratio has significantly decreased from 25.2 in 1977-78 to 15.6 in 1983-84. This decline in the poverty ratio is the combined result of growth achieved specially in agriculture and the implementation of various poverty alleviation programmes. The Lorenz ratio in the state has also decreased from 0.2852 in 1977-78 to 0.2841 in 1983-84.

In Haryana the break-even farm-size, which just gives the poverty line income of Rs. 1728, was 1.15 hectares in 1970-71. The corresponding figures were Rs. 6400 and 1.01 hectares in 1985-86. Per hectare agricultural income increased from 1507 in 1970-71 to Rs. 2264 in 1985-86. About 32% of the cultivating households were below the poverty line in 1985-86.

In this study we have dealt with the effect of population growth on the rate of participation in economic activity, the distribution by sector of those so engaged and their activity status, with a view to assessing trends in employment and unemployment in the
state of Haryana. In this context we have noted that
the decennial growth rate of population in Haryana has
declined from 34.12 per thousand during 1951-61 to
32.23 during 1961-71, and to 28.75 during 1971-81.

This decennial rate of growth of population
in Haryana is significantly higher than that of India
as a whole but, of course, with a continuously
narrowing margin. Similarly, whereas the density
of population per square kilometer in Haryana in
1981 was 292 persons, it was only 221 persons for
India as whole. This alarming population growth rate
has been mainly due to the considerable attention
given to medical and public health services in
the State. For example, while the number of beds
in hospitals increased from 53 per lakh of population
in 1966 to 69 in 1985, the number of dispensaries
increased from 3 per lakh of population in 1966
to 16 in 1985. Another main reason of this has been
a rapidly declining crude death rate in comparison to
the crude birth rate. For example, while the death
rate declined from 13.7 in 1977 to 8.5 in 1986, the
birth rate rather marginally increased from 34.6
in 1977 to 34.9 in 1986.
As regards the sectoral distribution of workers, the percentage of workers engaged in the primary sector has declined from 66.7 percent in 1971 to 61.7% in 1981. Consequently, it has increased in both the secondary and the tertiary sectors during this period. But the working force participation rate declined from 37.92% in 1961 to 26.44% in 1971 and then marginally increased to 28.35% in 1981. The increase in the rate of population implies the condition of increasing unemployment and high dependency ratio. For example, the share of dependent rural population increased from 53.07% in 1971 to 55.09% in 1981.

As regards the incidence of unemployment, the 'usual status unemployment rate' criterion points out to an increase in chronic unemployment in 1977-78 as compared to 1972-73 period. Even on the basis of the 'current daily and weekly status unemployment rates' criterion the current week status unemployment has been continuously increasing in Haryana. Similarly, the number of job seekers on the live registers of employment exchanges in Haryana has been significantly and continuously increasing. The number of educated workers on live registers increased from about 81 thousands in 1970 to about five lakhs in 1984.
Problems of land reform has been viewed in two ways, namely (i) from the point of view of agricultural production and (ii) from the point of view of different interests in the land. The first aspect is the subject of land management legislation and the second of land reform legislation. In this study we have been concerned with the land reforms.

In India, land reform programmes had two specific objects. The first has been to remove such impediments to increase in agricultural production as arise from the agrarian structure inherited from the past. The second object has been to eliminate all elements of exploitation and social injustice within the agrarian system, to provide security for the tiller of soil and assure equality of status and opportunity to all sections of the rural population. The principal measures for securing these objectives have been the abolition of intermediary of 'rent-receiving' tenures and the reform of tenancy, including regulation and reduction of rent and security of tenure. The other measures included ceilings on agricultural holdings, distribution of surplus land among the landless agricultural labourers and the small holders and bringing about the consolidation of holdings.
Intermediary tenures have already been abolished all over the country through the abolition of zamindari, jagirdari, inams etc. The fair rent in Haryana is 33.33% of the gross produce. In the matter of tenancy reform, existing legislation in Haryana falls far short of the accepted policy. Crop sharing arrangements remain largely oral and informal.

The percentage of landless households in Haryana fell from 11.89% in 1971-72 to 6.14% in 1981-82. About 56% households owned only nominal amount of land, i.e. half hectare, in 1971-72, and these 56% households owned only 1.19% of the total area under land holdings. The largest 3% holdings, of more than 10 hectares, owned more than 22% of the total area. In fact, the reduction in the concentration of land ownership has been almost negligible. The Gini- Co-efficient works out to be 0.753 for 1971-72 and 0.699 for 1981-82. This Gini- Co-efficient as well as the Lorenz curve shows that inequality in the ownership of land declined only marginally during this period in different sizes of holdings. Small holdings increased in number and in area whereas it fell in case of large holdings of more than 10 hectares.
Marginal holdings significantly decreased in number and marginally increased in area. The share of holdings of size 4 hectares or more in total area owned declined from 68.9% in 1971-72 to around 60% in 1981-82. Conversely, the share of holdings of size less than 4 hectares in total area increased from 31% in 1971-72 to nearly 40% in 1981-82. The area owned in large holdings of size more than 10 hectares declined sharply from over 22% in 1971-72 to less than 16% in 1981-82.

During the period 1971-72 to 1981-82, the number of operational holdings rose by 45.53% and the area increased by 15.69% resulting in the falling of average size of an operational holding from 3.87 hectares to 2.50 hectares. The percentage of marginal holdings as well as the percentage of area operated in such holdings increased during this period. But this percentage increase in the number of holdings is much higher than the increase in area, thus lowering the average size of operational holdings in this category. Similar trend can be seen for small operational holdings.

As regards the size distribution of ownership and operational holdings, the distribution of holdings is skewed in favour of large holding size classes and the distribution of households is skewed in the opposite direction. We have observed the striking feature of
extreme inequalities in the distribution of land in Haryana. In 1981-82, we find at the bottom of the scale over 17% of rural households operating less than 2.5% of the total land, whereas the top 5.62% of the rural households operated nearly 22% of the total land.

While the incidence of tenancy in Haryana is not small, a comparison of the leasing proportions for 1971-72 and 1981-82 suggests that it has actually been increasing. The proportion of owned area leased out went up from 8.5% to 10.64%. The proportion of operated area leased in declined from about 23% to 18% during this period. Thus there has been a real shift away from tenant cultivation to self-cultivation as a result of the increasing profitability of agriculture.

In 1970-71, 11.9% of the total holdings were engaged in tenancy cultivation and the area under tenancy was 9.1% of the total operated area. This proportion gradually declined to 2.7% in 1975-76 and then slightly increased to 3.38% in 1980-81. The percentage of wholly owned holdings increased significantly from 81.42% in 1970-71 to 95.10% in 1980-81. But the area operated under wholly owned holdings increased marginally from 92.17% in 1970-71 to 96.6% in 1980-81. The partly leased in and partly owned holdings declined from 6.63% in
1970-71 to 1.2% in 1980-81, but the operated area declined from 10.59% in 1970-71 to only 1.06% in 1980-81. The wholly leased in holdings increased from 2.5% in 1975-76 to 3.4% in 1980-81. The medium and large farm holdings together accounted for nearly 56% of the total leased in area in 1970-71 and declined to 48.2% in 1980-81. Of course, medium farmers had relatively large share in the total leased in land (36.2% in 1970-71 and 34.5% in 1980-81). Small and marginal farmers also lease out land to large farmers often under the pressure of poverty and indebtedness. Therefore, any effort to protect large tenants at the expense of small and marginal owners of land (by recording tenancy and conferring ownership right on the tenant) requires rethinking from the point of view of ensuring social justice.

According to 1980-81 census, in the state of Haryana about 54% of the area under partly owned holdings and 45.46% area under wholly leased in holdings was under share cropping arrangements. While in 1970-71 it was about 60% and 57%, respectively. The cash rent area of leased in holdings significantly increased from 22.54% in 1970-71 to 36.67% in 1980-81. But most of these arrangements are unwritten and the share croppers are not even recognised by the law as tenants and are, therefore,
without any legal protection. Moreover, the system of crop sharing often acts as source of free or cheap and precontracted labour supply for big land holders.

The proportion of agricultural labour households to all rural labour households in Haryana decreased from about 72% in 1964-65 to about 66% in 1974-75. The proportion of landless labour households increased from about 15% to around 19% during this period.

In Haryana, the rate of growth of money-wages of agricultural labourers was low for the period 1966 to 1970. Since 1970 there has been an accelerated increase in their money-wages. The annual compound growth rate of wages for the period 1966-87 has been more than 9%.

The peak of real wage rates in Haryana has been in the years 1983-87. After 1971, they had fallen to levels below those reached during the year 1969-70. During the period 1966-87, while the real wages moved up by about 50%, the average production of foodgrains increased by 22%. In this sense, real wages lagged behind the rise in production. In general, for all the field crop operations there was a tendency for real wage rates to increase for all operations. But the increase in harvest operations was much less than the increase in other operations. The continuous rise in average real wages was, of course, accompanied with a number of fluctuations.
Although the real wage rates went up for all the operations in all districts yet the increase was much higher in some district in comparison to others. Agricultural labourers in the districts of Hissar, Rohtak and Jind remained the best paid. On the other hand, in the districts of Karnal, Ambala, Kurukshetra and Bhiwani real wage rates in 1987 were the lowest. In fact, inter-district wage differentials have widened for all the operations in the state of Haryana.

As regards the development policy in this study we have traced its evolution and pointed out the factors which gave rise to development planning. In the context of India we have noted the basic objectives of Indian planning. These objectives can be briefly described as:

(i) reduction in poverty and unemployment and improvement in the quality of life;
(ii) removal of regional disparity and strengthening the redistribution base of public policies and services in favour of the poor and weaker sections of the community; and
(iii) modernisation and building of a self-reliant economy.

The development policy of the state of Haryana is also formulated with in the national frame-work of the above mentioned basic objectives. Since in this study
our main concern has been with the poverty and unemployment aspects, we have dealt with the poverty alleviation programmes along with the employment generation programmes of the state of Haryana.

In this study we have briefly discussed the anti-poverty programmes which have been introduced by the central government. These programmes include the community development programme (ICDP), the intensive agricultural district programme (IADP), the small farmers development agency (SFDA), the desert development programme (DDP), the special livestock production programme (SLPP), the drought prone area programme (DPAP), the tribal development agency (TDA), the command area development programme (CADP), the minimum needs programme (MNP), the integrated rural development programme (IRDP), the training of rural youth for self-employment (TRYSEM), programme, the national rural employment programme (NREP), the whole village development programme, the rural landless employment guarantee programme (RLEGDP), and the integrated child development scheme (ICDS). Out of these programmes we have evaluated the IRDP and the ICDS in the context of Haryana.

The progress achieved under the IRDP in Haryana during 1980-81 to 1984-85 is impressive. The total number of beneficiaries increased from 47,548 in 1980-81 to
95,054 in 1984-85. In fact, the targets of the programme have been over-achieved. In the case of majority of beneficiaries their income, family employment and consumption has increased. But there have been incorrect and improper identification of beneficiaries.

The integrated child development scheme is a boon to the poor children and the women of the deprived sections of the society in the state of Haryana. By covering about 1.5 lakh people, this programme has been successful to a great extent not only in laying down the foundations for the proper social and psychological development of the children but also in creating awareness and increasing the capability of mothers to look after their children. The infant mortality rate and the extent of malnutrition has reduced considerably in the ICDS areas. Awareness about family planning is better in the ICDS areas. The ICDS is found equally good in having positive effects on the nutritional, intellectual, psychological and social status of the children and the mothers. Moreover, the ICDS services have raised the level of knowledge of the people, particularly women regarding the importance of breast feeding, supplementary feeding, environmental hygiene etc.

But contrary to this, the quality and quantity of food supplied through the ICDS is not according to norms. Nutrition education is not provided to parents though it is an avowed aim of this programme. In fact, much needs
to be done to involve local people, particularly women, in the ICDS programmes. Special attention should be paid to the implementation and monitoring aspects of this programme.

While summing up the present study, it can be pointed out that the poverty alleviation programmes have not succeeded in bringing about the desired improvements in the economic level of the poor. There is an impelling and urgent need for drastic re-orientation in the existing content of the poverty alleviation programmes and in the implementing procedure and its machinery. We must do serious thinking to make poverty alleviation programmes result-based. These need to be drastically re-oriented and overhauled.