CHAPTER – 2
POVERTY ALLEVIATION PROGRAMMES AND THEIR EVALUATION

This chapter consists of two sections; section 2.1 is devoted to the brief description of the various schemes and a brief review of the performance of these schemes is given in section 2.2.

2.1 A BRIEF DESCRIPTION OF POVERTY ALLEVIATION PROGRAMMES

To mitigate the magnitude of this socio-economic evil, the Government has been endeavoring to augment employment opportunities through the development of the economy in general and the promotion of public and private sectors in particular. However, the Government realised that these efforts may not be sufficient to cope with the swelling number of educated unemployed. Therefore, the Government deemed it fit to implement certain schemes, which would enable the educated youth to employ themselves on their own rather than depending on the Government or the growth of the economy for their employment. In other words, of late, the Government has been stressing on the implementation of self-employment schemes on a large scale to solve the problem of educated unemployment.
Self-employment implies creation of job for oneself by engaging in a gainful economic activity and utilizing one's creativity, skill or talent for earning livelihood. It is an activity, which not only develops an individual but also provides certain benefits to the society as it provides an easy solution to the problem of unemployment. Self-employment may be of two kinds. In the first category a person gives employment to himself. Second type of self-employment is one where a person gives employment to himself as well as he becomes an employer to absorb others unemployed in his project through self-employment.

The on-going programmes under implementation include wage employment programmes like Jawahar Rozgar Yojana (JRY) and Employment Assurance Scheme (EAS), self-employment programmes like Integrated Rural Development Programme (IRDP) aiming at productive assets transfer through institutional credit and subsidy, area development programmes, land reforms, the programmes of rural housing as well as drinking and sanitation facilities in the rural areas.

**Integrated Rural Development Programme (IRDP)**

The Integrated Rural Development Programme (IRDP) was launched in 1978-79 and extended all over the country in 1980-81. The main objective of IRDP is to raise families of identified target group below poverty line by creation of sustainable opportunities for self-employment in the rural sector. Assistance is
given in the form of subsidy by the Government and term credit advanced by financial institutions (commercial banks, cooperatives and regional rural banks). The programme is implemented in all blocks of the country as Centrally-sponsored scheme funded on 50:50 basis by the centre and the states.

The target group under IRDP consists of small and marginal farmers, agricultural labourers and rural artisans having annual income below Rs.11,000/- defined as poverty line for the Eighth Plan. Since 1980-81 more than 440 lakhs families have been assisted under IRDP. In order to ensure that benefits under the programme reach the more vulnerable sections of the society, it is stipulated that at least 50% of the assisted families should be from scheduled castes and scheduled tribes with corresponding flow of resources to them. Further, more than 40% of the coverage should be of women beneficiaries and 3% of coverage should be handicapped persons.

IRDP is implemented through District Rural Development Agencies (DRDAs). The governing body of DRDAs includes local MPs, MLAs, Chairmen of Zila Parishads, heads of district development departments, representatives of SCs/STs and women. At the grass-root level, the block staff is responsible for implementation of the programme. The State Level Coordination Committee (SLCC) monitors the programme at state level whereas the Ministry of Rural
Areas and Employment is responsible for the release of Central share of funds, policy formation, overall guidance, monitoring and evaluation of the programme.

The Government has taken several measures to further strengthen IRDP. These measures include raising of the target level investment per family from Rs.12,000 in 1994-95 to Rs.14,000–Rs.15,000 in 1995-96, revision of infrastructural norms to further develop infrastructural base for IRDP projects, etc. An expert Committee on IRDP was set up by Reserve Bank of India (RBI) in September 1993 to recommend suitable measures for making IRDP more effective. The major recommendations of the Committee include switch over from front end to back end of subsidy, strengthening of the democratic character of IRDP through involvement of Panchayats, setting up of district level Technical Groups for identification of investment opportunities and preparation of project profiles, extension of the Cash Disbursement Scheme throughout the country, etc. These recommendations have been accepted by the Government and are in the process of being implemented.

**Rural Landless Employment Guarantee Programme (RLEGP)**

The Rural Landless Employment Guarantee Programme was started on 15th of August 1983, with the objective of expanding employment opportunities for the rural landless. The programme aimed at providing guarantee of employment to at least one member of the landless household for about 100 days in a year. Under
this scheme infrastructural development was undertaken with a view to create employment opportunities for the rural landless. Though the programme was to be fully financed by the Central Government, the implementation of the programme was entrusted to the States. The Central Committee constituted for approving the projects cleared 320 projects with an estimated cost of Rs.906.6crore. Suggestions were made that this programme should be merged with the National Rural Employment Programme (NREP). However, this programme was continued as a separate entity until April 1, 1989 and on this date it was merged into the Jawahar Rozgar Yojana. During the first four years of the Seventh Plan, the RLEGP generated 1,154.39 million mandays of employment against the target of 971.02 million mandays. This obviously is a commendable performance considering the target laid down for the programme. However, due to the restricted nature of the programme its impact on rural unemployment was only marginal.

**Jawahar Rozgar Yojana (JRY)**

In February 1989 the government announced a new wage employment scheme, the Jawahar Lal Nehru Rozgar Yojana (JRY) for intensive employment creation in 120 backward districts. However, later on it was felt that there was no need to have the separate NREP, RLEGP and J.R.Y. This wage employment programme had the same objective and similar thrust. Therefore, these programmes were merged into a single rural employment programme on April 1,
1998 and it was given the name Jawahar Rozgar Yojana. The main features of this programme are: (1) all rural workers which result in creation of durable productive community assets are being covered, (2) preference is to be given to works having potential of maximum direct and continuing benefits to the members of the poverty groups and which can be owned by or assigned to groups of beneficiaries, (3) in the choice of beneficiaries preference is to be given to SCs/STs in employment, and reservation of 30% of employment opportunities has been made for women, (4) higher priority is to be given to works which are required for infrastructure of poverty alleviation programmes like the Desert Development programme, the Drought Prone Area Programme, and the Integrated Rural Development Programme, (5) works relating to land development, construction of drainage, field channels etc. are to be undertaken, (6) programme is planned to be shared between the Centre and the States on 80:20 basis.

In the first seven years the JRY generated 6,201 million mandays of employment. Thus in quantitative terms the performance of the JRY is not distinctly better than that of the NREP and RLEGP. However, in two respects the JRY is superior to the NREP/RLEGP regime. First, under the JRY there is a clear change in the priorities in favour of economically productive investments, especially, which enhance the productivity of land. Second, the JRY approach
involving panchayats in planning and implementation of employment schemes is superior to the bureaucratic approach followed under the NREP/RLEGp.

The Scheme of Training Rural Youth for Self-Employment (TRYSEM)

This scheme was initiated in 1979 with the objective of tackling unemployment problem among the rural youth. It aimed at training about 2 lakhs rural youths every year to enable them to become self-employed. Under this scheme 40 youths were to be selected from each block and for being eligible for selection, the person should belong to a rural family having an income less than Rs.3,500 per year. In making selection, members of scheduled castes and scheduled tribes were given preference. Under the scheme a minimum of one third of the rural youths trained were to be women. The Sixth Plan had a target of training 10.05 lakhs youths. Against this, 9.4 lakhs youths actually received training and of these 4.64 lakhs youths were self-employed. Among those who were trained 34.8% were women and 31.5% belonged to the SCs and STs. Under the Seventh Plan this scheme covered about 8.73 lakhs rural youths from families below the poverty line. They were provided technical skills to enable them to take up self-employment in agriculture and allied activities, industries, services, business activities etc. In the six-year period from 1990-91 to 1995-96 this scheme has benefited 17.03 lakhs rural youths.
Development of Women and Children in Rural Areas (DWCRA)

The programme of Development of Women and Children in Rural Areas was initially launched as a pilot programme in 50 selected districts in 1982 with UNICEF cooperation to strengthen the women's component of poverty alleviation programmes. Since then, it has been expanded in a phased manner and now this programme covers all districts of the country. The main objective of the programme is to raise the income level of women of poor households so as to enable their organised participation in social development towards economic self-reliance. The primary thrust is the formation of groups of 10-15 women from poor households at the village level for delivery of services like credit and skill training, cash and infrastructural support for self-employment. Though the strategy of group formation, the aim is to improve women's access to basic services of health, education, child-care, nutrition, water and sanitation.

Groups of poor women assisted through a package including subsidies (under IRDP), training for skill upgradation (under TRYSEM), group revolving fund (Rs.25,000), group work centers (under JRY) and special extension staff. Each group is given a one time grant of Rs.25,000 as revolving fund contributed by the Government of India and the State Government, in the ratio of 50:50 for infrastructure, purchase of raw materials, marketing, and child care, etc. Skill training is imparted to the members before they take up an economic activity.
1,87,495 groups have been formed and 30.26 lakhs women have been benefited as on 31-3-97. The programme has been extended to all the districts of the country. Child Care Activities (CCA) was introduced in DWCRA programme during 1995-96 to provide creche facilities, immunisation, education, nutrition, health care etc. to children up to 6 years belonging to DWCRA women. Each district will provide with Rs.1.50 lakhs per year for the purpose. Information, Education and Communication (IEC) were also introduced in DWCRA programme during 1995-96 with the aim of generating awareness among women. Each district will be provided with Rs.1.50 lakhs per year for the purpose.

**Million Wells Scheme (MWS)**

The Million Wells Scheme was launched as a sub-scheme of National Rural Employment Programme/Rural Landless Employment Guarantee Programme during 1988-89. This scheme which was part of Jawahar Rozgar Yojana, is now an independent scheme w.e.f. 1.1.96. The objective of the scheme is to provide open irrigation wells free of cost to small marginal farmers who are below poverty line, preference being given to SC, ST and freed bonded labourers. Upto 1992-93, the target group for MWS comprised of poor, small marginal farmers belonging to SC/ST and freed bonded labourers. From 1993-94 onwards, MWS has been extended to non-SC/ST poor, small and marginal farmers also with the stipulated that the funds under MWS for non-SC/ST beneficiaries should not
exceed one-third of the total allocation for the programme. Where open irrigation wells are not feasible, owing to geological factors, construction of other minor irrigation works like irrigation tanks, water harvesting structures and also development of lands of SCs/STs and freed bounded labourers can be taken up.

Expenditure under the Yojana is shared in the ration of 80:20 between Central and State Governments. Since 1988-89 over 11.10 lakhs wells have been constructed with an expenditure of Rs.401.06 crores.

**Indira Awas Yojana (IAY)**

Housing is vital for human survival and, therefore, essential for socio-economic development. The need for improved housing is most acutely felt among the rural poor. As a part of the efforts to meet the housing needs of the rural poor, Indira Awas Yojana (IAY) was started in May 1985. This programme which was being implemented as a sub scheme of the Jawahar Rozgar Yojana, has now become an independent scheme with effect from 1.1.96. This programme aims at providing units free of costs to the poor families of SC/ST, free bounded labourers and the SC/ST people below poverty line in rural areas. The allotment of houses is made in the name of the female member of the beneficiary household. Alternatively, it may be in the joint name of both husband and wife. The beneficiaries are to be involved in the construction of houses from the very beginning and are to make their own arrangements for construction to suit their
requirements. The cost ceiling in difficult and hilly areas is Rs.22,000 and Rs.20,000 in plain areas. Smokeless chullah and sanitary latrine are to be provided along with the houses.

The National Rural Employment Programme (NREP)

The National Rural Employment Programme (NREP) was started as part of the Sixth Plan and was continued under the Seventh Plan. On April 1, 1989 it was merged into the Jawahar Rozgar Yojana. The NREP was meant to help that segment of rural population which largely depends on wage employment and has virtually no source of income during the lean agricultural period. The programme was implemented as a centrally-sponsored scheme. But its financial burden was to be shared between the Central Government and State Government on 50:50 basis. The Centre provided its share partly in cash. The Central Government allocated resources to State on the basis of a formula which gave 50% weightage to the number of agricultural workers and the marginal farmers and 50% was to be on par with the minimum agricultural wage fixed for the area. The programme laid great stress on the needs of the families in the target group. Accordingly 10% of the resources were earmarked for utilisation on programmes of direct benefit to SCs and STs. Another 25% of the resources were allocated to social forestry and fuel plantation programmes.
The NREP lasted for 9 years. In the five years period of the Sixth Plan and four years period of the Seventh Plan, it generated 1,774,13 and 1,477,53 million mandays of employment respectively.

**Employment Assurance Scheme (EAS)**

The Employment Assurance Scheme (EAS) was introduced w.e.f. 2nd October, 1993 in the rural areas of 1778 blocks of 261 districts. The blocks selected were in the drought prone areas, desert areas, tribal areas and hill areas. The Intensified Jawahar Rozgar Yojana (IJRY) merged with EAS on 1-1-1996. At present, the scheme is being implemented in all the rural blocks of the country. The scheme aims at providing assured employment of 100 days of unskilled manual work to the rural poor who are in need of employment and seeking it. The scheme is open to all men and women in the rural areas who are above 18 years and below 60 years of age. The expenditure under EAS is shared between the Centre and the States on 80:20 basis. The Central assistance under this scheme is released directly to the District Rural Development Agencies (DRDAs)/Zila Parishad (ZPs). The District Collector/Deputy Commissioner (DC) of the district is an overall incharge of EAS as the ‘Implementing Authority’. The implementing agencies of EAS with in the district can be inter alia the heads of the development departments at the district level, such as (a) Executive Engineer (Roads and Buildings); (b) Executive Engineer (Irrigation); (c) Divisional Forest Officer and
(d) District Horticulture Officer, etc. All the workers under EAS are to be executed departmentally by the respective implementing agencies and in no case contractors are to be used in the execution of works. Central assistance of Rs.5577.22 crores has been released to States/U.Ts. The number of registered persons in various States/U.Ts. is 269.92 lakhs and the employment generated is 10953.33 lakhs mandays upto May, 1997 since inception.

**Drought Prone Areas Programme (DPAP)**

Drought-Prone Areas Programme (DPAP) was started in 1973. The objectives of the programme are: (1) to minimise the adverse effects of drought on production of crops and livestock and productivity of land, water and human resources through integrated development of the natural resources base of the area by adoption of appropriate technologies; (2) to conserve, develop and harness land, water and other natural resources including rainfall for restoration of ecological balance in the long run and; (3) to improve the economic and social condition of the resource-poor and disadvantaged sections of society such as assetless and the women.

The programme is under implementation in 946 blocks of 149 districts in 13 states. Present coverage of the programme is based on the report of 1994 of the Technical Committee on DPAP and Desert Development Programme (DDP) constituted under the Chairmanship of Prof. C.H. Hanumantha Rao, Ex-member.
Planning Commission. Total area under the programme is about 7.45 lakh sq. km.
The Centre and the concerned state on 50:50 basis share the fund for the programme. Total outlay for the programme during Eighth Five-Year Plan is Rs.1,000 crore, out of which Rs.500 crore is the Central share.

Desert Development Programme (DDP)

Desert Development Programme (DDP) was started in 1977-78 with the objectives of: (1) controlling desertification of the desert areas through integrating and dovetailing other related state/Central programmes with these programmes and (2) to conserve, develop and harness land, water and other natural resources including rainfall for restoration of ecological balance in the long run. The objectives are sought to be achieved through development of the area on watershed basis. There are, however, some sandy areas where it is not possible to take watershed as unit of development. In such cases, taking up either a cluster of villages or an index catchment as the unit of planning does area development. Sand dune stabilisation and shelterbelt plantation are the key activities in sandy areas in addition to other activities under the programme. The programme now covers 227 blocks of 36 districts in 7 states. The programme also covers cold arid areas of Jammu and Kashmir and Himachal Pradesh. The area covered under this programme is about 4.57 lakh sq. km.
Under Desert Development Programme, a sum of Rs.734.71 crores has been spent. An expenditure of Rs.595.51 crores has been made under DDP since its inception up to 1994-95 and correspondingly as core sector activities, 1.85 lakhs hectare under land resource development, 0.83 lakh hectare under water resources development and 2.85 lakhs hectare under afforestation and pasture development has been treated. Since 1995-96, a new approach based on watershed development has been adopted and 1,695 micro watershed have been targeted to be development through people's participation during next four years. The Eighth Five-Year Plan outlay for the programme has been Rs.500 crores. During Ninth Five-Year Plan, in the year 1997-98, a budgetary provision of Rs.70.00 crores has been made.

In view of the specific advantages of self-employment to the Indian situation, the Government of India implemented the self-employment Scheme for the Educated Unemployed Youth (SEEUY) from 15th of August 1983. Based on the experience gained in this scheme and also to impart more momentum to creation of jobs through self-employment, the Government of India implemented a new scheme.
2.2 A Survey of Evaluative Studies

Among all the programmes/schemes described in the preceding section, IRDP has attracted the maximum public attention particularly that of researchers. A large volume of literature has been generated on the evaluation of this programme. A vast majority of studies has criticised the performance of the programmes. The criticism, however, is based on different perceptions and concerns. The range of criticism varies from description of corruption, malpractices and inefficiencies involved in the implementation to the basic philosophy, economic rationality and viability of the programme. In what follows, we present the main conclusions of some important studies.

K. Subbarao (1995) carries out a comparative critical examination of three studies, namely, (i) study of Implementation of IRDP by the National Bank for Agricultural and Rural Development (NABARD study), (ii) An Economic Assessment of Poverty Eradiction and Rural Unemployment Alleviation Programme and then prospects by Institute for Financial Management and Research (IFMR study), (iii) Evaluation Report on Integrated Rural Development Programme by Programme Evaluation Organisation of the Planning Commission (PEO study). The main focus of Subbarao has been on regional differences in the performance of IRDP in part I and TRYSEM Programme in part II.
Regarding IRDP, the study has pointed out the methodological weaknesses of these studies and stressed the need to be careful in generalising the findings of relating to the impact of IRDP implementation. Particularly, the study has criticised the adoption of the criteria of 'crossing the poverty line' for evaluating the impact of IRDP in the short-run. All the studies adopt a 'Before and After' approach. This approach has the disadvantage that it is difficult to know the extent of change caused by factors other than IRDP intervention. For this reason it is useful to include a control group of non-beneficiary households with similar characteristics so that comparisons with the beneficiary households could be made. Such a control group was provided for only in IFMR study, but not in NABARD and PEO studies. The study has illustrated the importance of alternative criteria such as income mobility matrices. On the basis of the latter criteria, the study has established that IRDP intervention has beneficial impact on the poor households as they did climb the income level even if they did not cross the poverty-line income range. It has been argued in the study that the observed higher capital-output ratios in the backward regions reflect not so much the defects of IRDP as such, but more fundamentally the backwardness of the region itself. The study has brought out that the cost effectiveness of IRDP depend on the extent to which its implementation is integrated with other general programmes of development specially relating to the spread of infrastructural facilities.
Regarding TRYSEM, the study shows that the success of the programme (self employed as percentage of trained) depended crucially on the demand for services in which the youth received training. This, in turn, was found to be a function of the level of state/district per capita income/expenditure and of the level of manufacturing activity on the basis of regression analysis. Only income coefficient was found to be significant. The scheme did not have much impact in the regions with the highest poverty ratios because these were also the regions with very low per capita income and hence low potential demand. The absorption ratio was higher in the better off regions. Therefore, it is clear that the scope for gainful self employment through TRYSEM in the services sector seems to be limited in the backward regions.

Nilkantha Rath (1985) does not favour the IRDP approach which is based on distribution of assets to the poor for creating self-employment. He recommends the creation of massive wage employment both public and private as a strategy for poverty eradication. Rath criticises IRDP approach on several courts: (1) IRDP is not an integrated approach in that it merely identifies the rural poor and prepares a plan for these individuals beneficiaries. This household based plan should be integrated with sectoral planning. (2) The Antyodaya approach of IRDP aimed at giving self-employment to the poorest households of rural society is not a realistic approach as these households are not capable of taking up self-employment. Most
of these households are the aged and handicapped or poorest of the poor who have little enterprise or risk-bearing capacity. (3) The subsidy element of IRDP has encouraged corruption in rural areas and increased the indebtedness of the poor in many cases. (4) Gains of IRDP have not percolated to the lowest levels. Rath has quoted from the NABARD study that hardly 18.7 percent of the total beneficiaries have crossed the poverty line. (5) In the absence of enough productive assets for distributing to the poor under IRDP, many times assets with very low productivity are given to the poor. This positively harms the poor instead of helping them. Rath concludes that IRDP is a misconceived strategy and helps a very small number. It generates wastage, corruption and cynicism. According to Rath the strategy of massive wage employment generation only can deliver the goods.

Indira Hirway (1995) examines the self-employment approach – IRDP and wage-employment approach – NREP for eradication of rural poverty. He considers the two issues: one, whether the role of IRDP should be minimised or continued with certain modification, two, whether NREP kind of wage-employment programmes be adopted to deliver the goods.

Indira Hirway is not in favour of discarding the self-employment approach in view of the fact that according to the N.S.S. data, 62.52 percent of rural working force in India is self-employed in agricultural and non-agricultural sectors put together which implies that self-employment is a major form of employment in
rural India. Therefore, it would not be realistic to base the rural development programmes on wage employment only. He is in favour of dividing the poor in two categories: (1) Those who have some asset or have some skill, education or enterprise to take up self-employment, and (2) Those who do not possess any asset, skill, enterprise, education etc. to take up any activity independently. The former can manage to get credit from banks while those belonging to the latter category may not be considered creditworthy. Therefore, the former should be given assets for self-employment and the latter should be offered wage-employment. While agreeing with the observation of Rath about IRDP, Hirway points out existence of corruption on public works programmes. These include misuse of materials, use of substandard materials, paying less than stipulated wages, preparing wrong muster rolls etc. It is also noticed that political leaders take decisions about NREP works without considering the extent of poverty and unemployment in various regions. Corruption is in our system and, unless suitable measures are taken, it will be there in all the programmes including NREP and IRDP. One can say that the question is not whether IRDP can eradicate poverty or whether NREP can do it, but it is how to integrate both the programmes and sectoral planning so that various needs of the poor are satisfied and goals of rural development are achieved.
M. L. Dantwala (1985) disagrees with Rath's thesis on the choice between self-employment programme and wage-employment programme. Rath in his study had observed that the strategy of helping the poor in rural India with the help of assets and/or, skills has 'yielded little' and in largely 'misconceived' and hence should be replaced by a strategy of massive wage employment programme.

M. L. Dantwala is of the option that there is no guarantee that wage-employment schemes will not suffer from the same defects, which have been detected in the beneficiary schemes. Drawing upon the plus and minus points of Employment Guarantee Scheme (EGS) and NREP, Rath concludes that there is no firm basis for giving preference either to the beneficiary programmes or wage employment programme. Distortions of the type mentioned by Rath in the self-employment programmes do occur in the wage-employment programmes like EGS and NREP also. Thus for making a choice between the two, their suitability and feasibility for eradication of poverty should be assessed.

Hanumantha Rao (1988) has attempted to justify the relevance of IRDP programme on the basis of the efficiency of IRDP investment for the poorest of the poor and the magnitude of their income from these assets regardless of whether or not they are able to cross the poverty line. The study has been carried out in the context of Uttar Pradesh. The data have been drawn from the concurrent Evaluation of IRDP done by Department of Rural Development, Govt. of India,
throughout the country from October 1985 to September 1986. Hanumantha Rao measures, the performance in terms of incremental capital output ratio for IRDP assets and post assistance income increases according to initial level of incomes of beneficiaries.

The subsidy reveals that the IRDP assets under primary sector which are risk prone as well as leakage prone, are found to be intact and retained by the poorer households. This has been attributed to the fact that their enterprises are labour – intensive and scale neutral which make these activities economically viable. Another factor is that the poor are familiar with the skills required for running such traditional enterprises. The study also shows that the capital – output ratios are generally favourable for these enterprises among the low-income households. This may be due to high labour-intensity of their activities and greater personal attention given by the households to these activities.

The study shows some decline in the incomes of beneficiary households from sources other than IRDP between the Pre and Post assistance periods. However the net income has increased by about 33 percent on account of IRDP. There has been smaller such net increase in the incomes in the infrastructurally backward regions like the Himalayan and the eastern regions. The performance of secondary and tertiary activities has been much better than primary sector activities especially among the low income households in the infrastructurally
developed regions. It may, however, be remembered that crossing the poverty line depends upon the level of initial income & amount of investment assets in addition to the contribution of IRDP.

G. Thimmaiah (1988) on the basis of concurrent evaluation of IRDP, TRYSEM, and RLEGp reports that IRDP in becoming popular among the rural poor and the number of ineligible persons being selected as beneficiaries can be reduced with the help of some additional safeguards. Regarding utilization, the small and marginal farmers have been found to utilise the IRDP loans more productively as compared to landless agricultural labourers. The study also points out the existence of politicians who misguide the beneficiaries assuring them that they need not repay the bank loans which is a negative role played by local political leaders. The success of anti poverty programme depends upon the initiative and determination of the beneficiary to utilise the assistance productively.

N. J. Kurian (1987) has analysed a number of issues on the basis of the massive primary data generated by the concurrent evaluation survey of IRDP carried out throughout the country on behalf of the Department of Rural Development of the Government of India during October 1980 to September 1986. The present findings are based on the sample of 8024 beneficiaries. The findings of the study can be summarised as: the assistance has been made available to the
deserving poor in majority of cases and most of the state. In a number of states the village assemblies have been associated with the final selection of beneficiaries. Also the sectoral distribution of assets under the programme has gradually become uniformly distributed among various sectors. Earlier the distribution was skewed in favour of primary sector particularly milch animals. It has also been revealed that more than seventy percent of the beneficiaries are able keep the assets intact even after two years. The commercial banks have been found to be involved in IRDP financing in a big way. The record of repayment of loans by IRDP beneficiaries is comparable to that of other debtors who generally are better off economically. In majority of cases, the assets were found to generate net incremental income. Most of the beneficiaries were found to be better off after the assistance as compared to the pre-assistance days. There was significant percentage increase in the family income in the post assistance period. Thus, the findings generally support the stand taken by protagonists of IRDP.

The study also reveals that about 20 percent of the entire sample and in some states even upto 50 percent, beneficiaries at the time of selection had income more than the cut off points for selection. Sometimes the sectoral distribution of assets was influenced by easy accessibility and personal biases of the functionaries etc. instead of suitability to local conditions and income generating ability of the assets. In some states, a large number of beneficiaries could not keep the assets
intact. Also in many cases banks were reluctant partners in the programme. It has also been found that schemes were not properly appraised and the schedules for repayment of loans were kept two short. In a considerable proportion of cases the programme has not benefited the poor families at all and a very small fraction of assisted poor could across the poverty line. In majority of cases the assistance was so small that the assisted poor could not be expected to cross the poverty line. There findings certainly are indicative of the criticisms of the antagonists of IRDP. Obviously, IRDP is a mixed bag containing many strong points and many weaknesses.

The paper by Madhura Swaminathan (1990) presents the findings of an evaluative study of the IRDP in West Bengal and Tamil Nadu and compares the performance of the programme in the two states. The comparison is based on the data collected in Tamil Nadu in 1985 and in West Bengal in 1988 and 1989. Regarding the extent of leakage of IRDP funds to non-eligible households, West Bengal has performed better in comparison to other states. In Onda block, only seven percent of loans were given to ineligible persons. However, the proportion of resources obtained by these persons, the leakage was higher to the time of 22 percent of the total loan-cum subsidy amount disbursed. The allocation of loans to the scheduled castes and tribes was more then envisaged.
In Tamil Nadu the leakage was of the order of 24 to 27 percent which is close to the national average of 26 percent of beneficiaries. A large number of persons belonging to the scheduled castes were covered by the scheme. These results are far more satisfactory when compared to results from certain other states. In a study of Palanpur village in Uttar Pradesh, Dreze (1990) found that IRDP participants were selected from all income classes except those from ‘very poor’ category and the lone landless participant belonged to the affluent section of the landless population. The relatively low level of leakage in West Bengal has been attributed to the active role played by Panchayat Committee and the Gram Sabha in the process of selecting beneficiaries. Another criterion of performance in which West Bengal has out performed Tamil Nadu is the initial cost of acquiring loan. The initial cost among recipients of scheme in Tamil Nadu accounted for 50 percent of the value of subsidy while it was only 4 percent in West Bengal. This can be attributed to the absence of middle men in West Bengal.

The average investment per beneficiary in West Bengal was lower than that in Tamil Nadu and other states. The size of IRDP loan in Onda block varied from Rs. 250 to Rs. 12000 across individuals with women and scheduled castes receiving less than men and non-schedule caste beneficiaries respectively. In the two village of Tamil Nadu, the average investment per beneficiary varied from Rs. 2808 to Rs. 3425 across households, which is not as wide as in West Bengal. It
was found that women beneficiaries of IRDP loans fared poorly as compared to men in many respects. The income generated by IRDP financed activity was significantly lower among women. In Tamil Nadu too, women participants of IRDP loans received lower benefits. Both states performed unsatisfactorily in terms of creation of infrastructure and support services. A major goal of IRDP has been to upgrade their skills so that productivity of IRDP assets can be raised. Both of the states have failed to give new skills to beneficiaries.

Satya Paul (1999) evaluated the IRDP using family-level data taken from the Second concurrent Evaluation Survey conducted in 1987 by reputed research institutions in the country on behalf of the Department of Rural Development, Govt. of India. The methodology adopted in the present study does not suffer from weaknesses of the earlier studies. Firstly, it does not use the criterion of crossing the poverty line as a measure of assessment. The study has assessed the program by comparing the Foster – Greer – Thorbecke poverty indices before and after the program. Secondly, in contrast to the earlier studies, size of the family has been taken into account while determining the poverty status of the beneficiary family. The study has revealed that the level of poverty has declined by 22 percent with 7 percent of families crossing the poverty line, the other two thirds showing a substantial decline in their poverty levels and the remaining one fourth becoming poorer. The study shows that the families who crossed the poverty line were at the
time of selection were already near to the poverty line, their family size was smaller and their income from IRDP assets was higher as compared to those who become less poor. Those who became poorer, their impoverishment can be attributed to insufficient earnings from IRDP assets to compensate the decline in their income from traditional sources.

On the basis of regression analysis, it has been found that providing better marketing facilities in rural areas can enhance the performance of IRDP. It has also been found that the families can generate large incomes if better input facilities and improved quality assets are given to them.