CHAPTER 1

INTRODUCTION

1.1 THE CONTEXT

At the time of independence, India was a country with every low per capita income and the economic condition of the country was at its lowest-ebb and there was widespread poverty throughout the country. At that time, almost half of the India’s population was below the poverty line. In the first three five year-plans, the dominant factors were that the poverty could effectively be tackled through the general growth process and that the benefits of the higher growth would automatically “trickle down” to the poor and alleviate poverty. The focus of agriculture was shifted to Industries in the next two successive plans. During these periods, emphasis was also placed on land reforms, Community Development and Co-operative movements but many things remained unattended and hence, no specific attempts were made to tackle poverty directly. However, during this period, some anti-poverty programmes were also experimented. It was during the Fourth five year plan period that emphasis was laid on the “common man” and the “less privileged”. For the benefit of the less privileged classes, it adopted several programmes like Small Farmers Development Agency(SFDA) and Marginal Farmers and Agricultural labourers Development Agency (MFAL) etc. In the fifth five year plan(1978-83), when the word 'poverty' was for the first time specifically introduced and removal of poverty and attainment of economic self reliance was enunciated as one of the two basic objectives of the plan. In fact, in a developing economy and more so in a welfare State like ours, poverty alleviation programmes must be a hub of the plan objectives.

In consonance with the plan objective of raising the level of living of the poor and pulling them up from the morass of poverty, a number of development programmes are in operation, which by and large, aim at providing employment to the persons living below the poverty line, since it is considered that population, a source of income would be generated for them and world, thus, enable them to rise up from the existing subsistence living. The rural poverty alleviation programmes which are now being implemented
through the Ministry of Agriculture (Department of Rural Development Government of India) can be grouped in four categories, viz., (i) Wage employment programmes, (ii) Self-employment programme, (iii) Area development programme, and (iv) Social benefit programmes.

Development programmes have to encompass all aspects of the improvement in the quality of life, economic betterment and social transformation of the people. It should also ensure that benefits of growth equally reach this poor. Poverty being a complex one with multi-dimensional problems, multi-pronged approach with a wide spectrum of activities has been initiated to tackle poverty in a great way in rural areas. The alleviation of poverty have been sought to be achieved through special wage employment, self-employment, area development and social assistance programmes.

India still lives its villages but the share of rural areas in the national income has been declining at a faster rate than their share in population. The village in India is not at all idyllic. One disturbing feature in the development since the 1990s is the widening gap between rural and urban income growth. So have been the disparities in consumption expenditure, household assets and production capital etc. Socio-economic disparity however, is only a reface, we have to go into the phenomenon and it requires a deeper analysis of factors leading to the disparities, before arriving at policy measures to reduce the gap. Inadequate infrastructure, research and extension, and capital formation have compelled a widening disparity between the rural areas in consumption, production, distribution and livelihood. The research problem at hand therefore, is one of removing bottlenecks of investment and employment activities in the rural areas so as to bridge time, money and other resources at the disposal of teeming rural people and make rural development possible in an integrated and sustainable manner.

Rural Asia is undergoing changes through increased intra-connectivity and global interconnectivity, through media, migration, trade and tourism. Because of these changes, rural poverty requires new policy responses. We need studies that seek to identify what and how an individual/institution can do best to contribute to on going efforts in rural poverty reduction. Some of the earlier studies have identified some of the key causes for the persistence of rural poverty.
• Low/ stagnant economic growth in rural areas,
• Inadequate investment in human capital, agricultural technology and infrastructure.
• Inadequacies in institutional mechanisms that address the needs of the rural poor.

Infrastructure can deliver major benefits in economic growth, poverty alleviation and environmental sustainability—but only when it provides services that respond to effective demand and does so efficiently. Service is the goal and measure of development in infrastructure.

At the time of independence in 1947 India was steeped in problems like acute poverty, mass unemployment, under-employment, static agriculture, accentuated labour force, inadequate and inefficient tertiary sector, unhealthy banking and financial sectors. Poverty and inequality are the two major issues which affect the development of any country. India is no exception to this. Nearly three-fourths of India’s 1,128 million people live in rural areas. More than 66% of the country’s labour force is engaged in agriculture and allied activities. Around 22% of India’s population in 2004-05 was estimated to be poor and living below the poverty line.

Unchecked population growth, shortage of land, fragmentation of landholdings and uneven distribution of income in the country and growing the expedient association of casual wage labour and unemployment with poverty, political parties through their manifestos and planners in their plan documents have repeatedly emphasized the importance of the creation of new avenues of employment for the rural poor with view to augmenting employment and generate incremental income.

The first three plans attempted to raise the living standard of the rural people through enhanced growth in agriculture and allied activities. It was the Fourth Plan where poverty alleviation was given due importance in the policy design with a view to achieving growth with equality and social justice. To initiate a direct attack on the poverty, the Government of India implemented specific poverty removal programmes in the direct attack on poverty, was spear-headed by a two-programme strategy of wage and self-employment programmes. This plan identified the main causes of poverty as open
unemployment, under-employment and the low resource base of the large number of producers in service and agriculture sectors.

While the Fifth plan estimated that 220 million people were under the poverty line at the end of the Fourth Plan periods, the first Sixth plan (1978-83) estimated that there were as many as 290 million poor in India. The sixth plan defined the poverty line on the basis of the recommended nutritional requirements of 2,400 calories per person per day for rural areas and 2,100 calories for the urban areas. The sixth plan hoped that in addition to the specially designed poverty alleviation programmes in rural areas, the growth process would bring down the severity of poverty.

The IRDP was introduced in all the 5,011 blocks in the country had ever witnessed. However, this programme suffered from various weaknesses like inappropriate selection of family beneficiaries, leakages and malpractices of subsidy amount, non-provision of teaching skill building activities. Due to inadequate infrastructure facilities a majority of IRDP beneficiaries did not experience incremental income generation from their self-employment ventures.

The eighth plan which was introduced for a period 1990-95 was withdrawn with the fall of the then ruling government and a new eighth plan (1992-97) was introduced with the basic objective of removal of poverty, generation of adequate employment, containing population growth, universalisation of elementary education, provision of safe drinking water and health facility, growth and diversification of agriculture and strengthening of infrastructure like power, transport, communication, irrigation. This plan witnessed the new economic reform era where the mantra was liberalization, privatization and globalization. This plan experienced a higher growth rate in output due to the structural reform measures taken by the without commensurate growth rate of employment. The employment growth rate during this period was 2.5%. The planning commission had estimated that at the end of 1996-97, the national poverty ratio was 29.2% which was 3.8% lower than the poverty figures estimated for 1993-94 (36.0%). The rural and urban poverty during 1996-97, were 30.6% and 25.6% respectively.

The 9th plan (1997-2002) was introduced with a focus on growth with social justice and equality. Eradication of poverty and provision of basic minimum services were the major concerns for the during the last plan periods. Thus, the 9th plan wanted to
address three areas viz., quality of life of the people, productive employment generation and reduction of regional disparity. The 9th plan estimated that open employment in 1997 was to the tune of 7.5 million persons and the labour force was expected to grow at a rate of 2.54% per annum. However, the plan also noted that the incidence of under-employment among the labour force would be very high.

The present study has taken Karnataka State as the Universe. Karnataka the only state where gold was mined is celebrating its Golden Jubilee year of its formation. Karnataka is one of the fastest growing Indian states today but is still poor state. Poverty ratio is 1999-2000 was 22.7%. The state is predominantly rural economy with a declining trend in rural lakhs of its people, out of a total population of 448 lakhs live in these rural habitations. That constitutes about 69% of the state’s population. The development trap is attributable to lack of adequate infrastructure and high cost of basic services Karnataka is known for its diverse regions, rich cultural heritage, and landmark achievements in the fields of land reforms and decentralization, its pioneering performance in IT and IT related services. Its economic boom is visible clearly alongside agrarian crisis. It has marked regional disparities in levels of human development and infrastructural development.

The study therefore has chosen Karnataka as an avenue for rethinking the rural development paradigm and possibly and infrastructure that they have an economic use for. From the policy angle this also means reprioritizing our goals. Ultimately two things will have been simultaneously achieved a disincentive for dislocation and an incentive for relocation, both for the sake of real rural development.

In the context of rural development needs and progress of India in general and Karnataka in particular, this study tries to focus on the present position of infrastructure in Karnataka and one its districts viz., D.K. In the light of various theories of economic development and of rural development. The different policies and programmes of building infrastructure and their impact on the standard of living of the rural people is analyzed by obtaining field-data. Unlike some other studies pertaining to rural development in India, the present study analysis the role performance of infrastructure both as a means and an end considering the criticality of diverse socio-economic factors. It is expected that such a study would not only be informative but also indicative of a
general trend in development programmes enabling high status leaders take a genuine interest in the welfare and development of the rural poor.

1.2. OBJECTIVES OF THE STUDY

The following are the main objectives of the study.

➢ To analyse the nature extent of assistance provided to the beneficiaries of various rural development programmes;
➢ To examine the impact of different poverty alleviation programmes on the level of employment income of the beneficiaries in DK District;
➢ To study the weaknesses in the implementation strategy of different poverty alleviation programmes undertaken in the study area; and
➢ To suggest measures for the effective implementation of the programmes.

1.3. RESEARCH METHODOLOGY

Keeping the objectives of the study in view, it has been decided to collect mainly secondary sources of data. For the purpose of study, detailed information has been collected through various publications, Journals of Ministry of Agriculture, Government of India, Directorate of Economics and Statistics, Government of Karnataka, D.K. Zilla Panchayat, Mangalore. Thus various methods like survey, observation and inference drawn from the secondary sources. The sources of the information includes: HDR Reports of Karnataka, Economic Survey of Karnataka, Periodicals of various organizations related to Rural Development, Developmental Journalism and various studies by Individual researchers. Simple Percentage and average are used to analyse the data.

1.4. SCOPE OF THE STUDY

The scope of this study can be visualized in the context of some of the objectives and targets of the 11th five year plan of Karnataka too the two important targets are to reduce poverty by 10% and to increase agricultural growth rate to 4%. The state government has already initiated the ‘Suvarna Gramodaya Programme. According to the 73rd Amendment to the constitution 29 subjects has been transferred to rural
development. But something more than devolution and decentralization is being thought of with the need to plan from the base for a golden era in the state, removal of poverty and disparities becomes primary. The present study takes into consideration the need for and implications of development for achieving this objective on hand.

1.5. LIMITATIONS OF THE STUDY

Although the study contributes to the policy makers by providing some suggestions, one of the important limitations of the study is that it is based on secondary data. The inferences thus generated may not be generalized. The study is confined to only district that is DK in Karnataka.

1.6 ORGANIZATION OF THE THESIS

The thesis is organized into six chapters. Chapter 1 deals with introduction covering the context under which the study is taken up, research issues, objectives, research methodology, scope and limitations of the study. A brief review of literature and issues are presented in Chapter 2. A review of poverty alleviation programmes in India is also made in Chapter 3. Chapter 4 provides the profile of the study area. The performance of poverty alleviation programmes in DK is presented in Chapter 5. The summary of findings and policy implications were drawn in the last chapter.

Science and Technology for rural development

Ministry of Science and Technology plays role in promotion of science and technology in the country. The departments has wide ranging activities ranging from promotion high end basic research and development of cutting edge technologies on one hand to serving the technological requirements of the common man through development of appropriate skills and technologies on the other. Appropriate rural technology focuses mainly on those technologies which are simple and within of reach of the ordinary people for their own benefit and the benefit of their community and harness the local or regional capacity to meet local needs without increasing dependence on external factors. A large number of governments, public and private non-government organizations are involved in developing technologies for rural areas. However, these technologies have hardly touched the lives of the rural population. Apparently, the problem lies not only in the generation, diffusion and adoption of technologies but also in poor documentation. Recently, efforts have been made by several organizations like NRDC, CAPART, TRCS, NIRD, DST, DBT, CSIR, ICAR, KVKs and other voluntary organizations
etc. to bring out a compendium of technologies for rural areas for wide information dissemination and public awareness. A brief account of technologies which are low cost, energy-efficient and environment-friendly as well as appropriate and sustainable for application in rural areas.

Government schemes focusing on Science and Technology are:

S&T Application for Rural Development (STARD): Aims at facilitating development of promising S&T based field groups and innovative technologies related to rural development.

S&T for Women: To promote research, development and adaptation of technology, improve the life, working conditions and opportunities for gainful employment of women especially in rural areas.

S&T Application for Weaker Sections (STAWS): Aimed at the development of economically weaker sections of the society in rural and urban areas.

Tribal sub-plan: Aims at improving living conditions of scheduled tribes based on sustainable science and technology activities.

Special Component Plan (SCP): Aims at improving the lot of the poor sections SC community through intervention of Science and Technology.

Rural Development (Significant achievements by CSIR)

Swaraj-India first indigenous tractor to facilitate mechanized agriculture.

Value addition through post-harvest technologies like essential oil /menthol production.

Cheapest water purification technology including terracotta purification disc, portable arsenic detection kit, utrapore membrane-based purifiers for removing virus and bacteria.

Over 365 technologies passed on to the rural masses through publications, training sessions etc.

Construction of around 30,000 dwelling units using cost-effective construction technologies.

Rural Development is the main pillar of Nation’s Development. In spite of rapid urbanization, a large section of our population still lives in the villages. Secondly, rural India has lagged being in development because of many historical factors. Though, the
11th plan began in very favorable circumstances with the economy having grown at the rate of 7.7% per year in the Xth plan period, there still exists a big challenge to correct the developmental imbalances and to accord due priority to development in rural areas. Ministry of Rural Development is implementing a number of programmes aimed at sustainable holistic development in rural areas. The thrust of these programmes is on all round economic and social transformation in rural areas, through a multi-pronged strategy, aiming to reach out to the most disadvantaged sections of the society. The actual realization achieved during the Xth five year plan and the proposed target and strategy of the XIth five year plan have been highlighted and presented in tables.

The approved outlay for Xth Five Year Plan was Rs.1,41,320 lakh. An expenditure incurred during the plan period was Rs. 30,580.31 lakh in 2002-03, Rs 33,234 lakhs in 2003-04, Rs 69,610.07 lakhs in 2004-05 and Rs. 70,299.70 lakhs in 2005-06.

Approved outlay for Annual Plan 2006-07 for various schemes was Rs. 92,070.39 lakh against which an expenditure of Rs. 1,01,168.63 lakhs is anticipated.

Target of constructing 2.83 lakhs houses was fixed. Against this target, 3.10 lakh houses were constructed under Indira Awas Yojana. During Tenth Plan period 2.11 lakh families have been benefited under Swarna Jayanti Gram Swarojgar Yojana. Out of this, 1.23 lakh beneficiaries i.e. about 58% are from SC/ST category. Under Integrated Wasteland 89 Development programme, 82 projects were sanctioned for 3.93 lakh hectare of land. Out of this, 1.50 lakh hectares land was treated.

Under PMGSY 13,500 Kms roads were completed. In Rastriya Sam Vikas Yojana, 12,504 works were sanctioned. Out of this, 11,496 works were completed. Under DPIP, 41,978 common interest groups of 2.84 lakh families were benefited during the plan period.

Target and strategy of the XIth Five Year Plan (2007-2012)

Adequate provision has been made for the state share in continuing Centrally Sponsored Schemes like Swarna Jayanti Gram Swarojgar Yojana(SAGSY), Indira Awas Yojana (IAY), Integrated Waste land Development Programme(IWDP), Drought Prone Area Programme(DPAP),Mid Day Meal Scheme,DRDA Administration and National Rural Employment Guaranee Scheme(NREGS).

Besides these, World Bank aided DPAP projects is being implemented in 14 districts for the last 6 years. Support for this will continue under the second phase of the scheme in the eleventh plan. Water and Land Management Institute (WALMI), DRDA Administration Yojana, Gokul Gram and Godan Yojana and community development programme are proposed to be continued into the XIth plan.

Besides these, the State Government is supporting 5 new schemes namely, State Rural Road Connectivity Scheme, C.M. Rural Housing 90 Schemes, Master Plan Schemes, SGSY scheme, Training IEC scheme and Sutradhar scheme.
Table no1.1: The XIth plan allocation under various schemes/programmes

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Schemes/Programme</th>
<th>Proposed out lay XIth Five Year (2007-12)(lakhRs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SJGSY</td>
<td>29656.12</td>
</tr>
<tr>
<td>2.</td>
<td>SGRY</td>
<td>18016.64</td>
</tr>
<tr>
<td>3.</td>
<td>DPIP</td>
<td>23158.72</td>
</tr>
<tr>
<td>4.</td>
<td>Rural roads</td>
<td>50000.00</td>
</tr>
<tr>
<td>5.</td>
<td>Indira Awas Yojana</td>
<td>27766.71</td>
</tr>
<tr>
<td>6.</td>
<td>IWDP</td>
<td>10598.56</td>
</tr>
<tr>
<td>7.</td>
<td>DRDA</td>
<td>6012.36</td>
</tr>
<tr>
<td>8.</td>
<td>DPAP</td>
<td>21294.84</td>
</tr>
<tr>
<td>9.</td>
<td>Gramin Ajivika Pariyaojna</td>
<td>22480.00</td>
</tr>
<tr>
<td>10.</td>
<td>National Rural Rojgar Gurantee Scheme</td>
<td>199881.85</td>
</tr>
<tr>
<td>11.</td>
<td>Mid day meal</td>
<td>69462.00</td>
</tr>
<tr>
<td>12.</td>
<td>Community Development</td>
<td>29265.20</td>
</tr>
<tr>
<td>13.</td>
<td>CM Awas Yojana (Apna Ghar)</td>
<td>6200.00</td>
</tr>
<tr>
<td>14.</td>
<td>State SGSY</td>
<td>1800.00</td>
</tr>
</tbody>
</table>


Table no:1.2 : Scheme-wise physical targets proposed for XIth five year plan

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Scheme</th>
<th>Unit Description</th>
<th>Proposed target XIth five Year (2007-12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SJGSY</td>
<td>No. of beneficiaries</td>
<td>In lakhs 4.52</td>
</tr>
<tr>
<td>2.</td>
<td>SGRY</td>
<td>Lakhs employment</td>
<td>900</td>
</tr>
<tr>
<td>3.</td>
<td>DPIP</td>
<td>No. of groups</td>
<td>In lakhs 2.05</td>
</tr>
<tr>
<td>4.</td>
<td>Rural roads (PMGSY)</td>
<td>Kms</td>
<td>20000</td>
</tr>
<tr>
<td>5.</td>
<td>Indira Awas Yojana</td>
<td>No. of houses</td>
<td>4.44</td>
</tr>
<tr>
<td>6.</td>
<td>Gramin Ajivika Pari Yojana</td>
<td>No. of household in</td>
<td>In lakhs 3.20</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>National Rural Rojgar Gurantee scheme</td>
<td>Lakhs mandays</td>
<td>17300</td>
</tr>
<tr>
<td>8.</td>
<td>Mid day meal</td>
<td>Students in</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Road maintenance</td>
<td>Kms</td>
<td>20000</td>
</tr>
</tbody>
</table>

Source: Ministry of Rural Development

New Schemes proposed under the XIth plan

Some new schemes viz., State Rural Road connectivity, State Rural Housing, State SGSY, Training, Master Plan and Sutradhar are proposed for XIth Five Year plan period. The provision made under new schemes for 2007-12 is Rs. 18,110.60 lakhs and for 2007-08 is Rs. 6,720.00 lakhs. Schemes wise activities have been described briefly as follows-

State Rural Connectivity: Under PMGSY, the construction of all weather roads is not permitted if the villages are less than 500 meter away from the main road. Such left out roads and bridges will be covered and connected under the scheme with state support. During annual plan 2007-08, a provision of Rs. 25 crores has been made to construct such missing links.

Mukhya Mantri Awas Yojana: Inspite of the scheme being under Bharat Nirman, as against nearly 38 lakh houseless families in the state, annual allocation under Indira Awas Yojana is only about 46,000. At this rate, it will take about nine decades to fulfill the existing need. The State government has decided to flag of the Chief Minister Rural Housing Scheme. The main objective of the scheme is to provide housing to the houseless SC/ST families. During annual plan 2007-08, a provision of Rs. 32 crores has been provided for constructing 12,800 houses.
State SGSY: To Strengthen the SHG movement, it has been decided to constitute SHG Federations on the basis of activity and the geographical location. Rs.5 crores and Rs. 18 crores have been proposed for annual plan 2007-08 and XIth five year plan 2007-12 respectively.

Working Plan for Water Storage: It is a plan on the basis of a survey of the catchments areas and flow of water direction. On the basis of watershed specificities, identification and cost estimation of the probable water harvesting structures is done. On the basis of this study, the master plans have been prepared for all the districts of the State. On the basis of the master plan, works of nature of pond deepening and renovation, check dam construction and other watershed activity will be taken up in a planned and systematic manner in 14 districts not covered by NREGS. For the implementation of works, according to the master plan, an outlay of Rs. 5 crores is proposed for the 2007-08.

Sutradhar Yojana: The establishment of the kiosks has been planned to facilitate access in rural areas to electronic communication and information and government schemes and programmes. These kiosks will facilitate provisioning of up to date information about Centre/ State Government organizations and schemes. For this scheme, Rs.0.1 crore is proposed for the annual plan 2007-08. An outlay of Rs. 7, 17,783.60 lakh for the XIth Five Year Plan is proposed. Out of this, Rs. 18,110.60 lakh is proposed under new state schemes. An outlay of Rs. 1, 29,196.60 lakh has been allocated for new schemes.