ABSTRACT

POLITICS OF RURAL DEVELOPMENT AND POVERTY ALLEVIATION: A STUDY OF SWARNJAYANTI GRAM SWAROZGAR YOJANA PROGRAMME IN CHURACHANDPUR DISTRICT OF MANIPUR

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Introduction:

Development may be seen as a process of transformation that moves a society closer to conditions in which the basic needs of people are met. The concept and approach to development has gone through many changes. In the earlier period, development was primarily equated with economic growth. This was basically a criteria used by the development planners for the transformation of developing countries in the wake of independence from colonial rule. Development was believed to be achieved through mass production, capital investment and more savings.  

It was assumed that increased profit or growth would trickle down to the disadvantaged areas, sectors and masses. But this assumption barely materialized in most developing countries, thereby increasing the gap between countries, regions within a country, and also between the rich and the poor.  

It was observed that economic growth, even when achieved did not seem to trickle down to the poorest section of the community leading to discontentment and redefinition of the concept of development. Various studies have documented these aspects and delineated three important problems i.e. poverty, inequality and unemployment that persist and in some cases even got aggravated in developing countries while pursuing economic growth strategy.  

Rethinking and discussions on alternative


development started taking place among scholars in several countries and also in inter-

country conferences and United Nations specialized agencies like United Nation
Development Program (UNDP), United Nations Research Institute for Social 
Development (UNRISD) etc. As a result, the alternative strategy for development now
sought to include issues of human development and equitable distribution of the benefits
of growth as complementary to economic growth in development.\(^4\) Thus, development

today is seen as an integrated process of change involving not only economic and human
factors but also equitable distribution of the benefits of economic growth. Development
now is considered to be a process through which human and material resources are
mobilized in order to address the issues of poverty, inequality and unemployment with
the ultimate aim to improve the quality of life. Such process is especially significant for
the people residing in rural areas which are characterized by poverty, inequality, 
unemployment etc. In this condition, rural development has become significant.

Initially, due to the influence of the dominant paradigm of development that
emphasized on economic growth, rural development was pursued as a part of the overall
economic growth. It was assumed that rural development could be achieved by increasing
agricultural output through adopting the technologies of the developed countries.\(^5\) In this
regard, rural development was equated with increase in rural agricultural produce. This

1969, pp. 2-6; Swedish Hammarskjold Foundation, “What Now, Another Development”, Special issue of 
Development Dialogue, Vol.1, 1975, p.7; World Commission on Environment and Development, Our 
Common Future, Oxford University Press, Oxford, 1987, p. ix; United Nation Development Programme, 
\(^5\) Shakoori Ali, The State and Rural Development in Post-Revolutionary Iran, Palgrave Publication, New 
Delhi, 2001, pp. 22-25.
however did not seem to address the main problems in rural areas like poverty, unemployment etc. Increasingly, rural development came to be defined as a comprehensive approach not merely restricted to questions of increase in agricultural productivity but also improving the living standard of rural people. The interdependence between agriculture and rural welfare came to be recognized and subsequently the issues of equitable distribution, accessibility to resources, poverty, unemployment, education etc. came to be incorporated in rural development.⁶ According to Lele, rural development means ‘improving the living standard of the masses of low-income population residing in rural areas and making the process of their development more sustaining’.⁷ The World Bank also defined rural development as a strategy designed to improve the economic and social life of a group of people i.e. the rural poor. It involves extending the benefits of development to the poorest among those who seek a livelihood in the rural areas.⁸ Rural development has been further defined as a strategy to enable the rural poor to gain for themselves more of what they need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of development.⁹


Developing countries are predominantly rural in character as about 60 per cent of the total population of the developing countries live in rural areas.\textsuperscript{10} Poverty is more widespread, diseases more endemic and even life expectancy and literacy level are also found to be lower in rural areas than in urban areas.\textsuperscript{11} Although there is an increasing involvement of Non-Governmental Organisations (NGOs) in rural development activities in many countries over the years, yet it is seen that government continues to remain the basic instrument for initiating, organising and implementing a host of developmental programmes in the rural areas.\textsuperscript{12}

Implementation of rural development programmes involves complex process of distribution and utilization of resources. In this process, disputes, co-operations and negotiations tend to arise due to difference of interests among individuals, groups and the State agencies, influencing who gets what, when and how\textsuperscript{13} thus bringing politics into it. In this study, politics refers to the activities of conflict, co-operation and negotiation involved in the use and distribution of resources at the local or State level.\textsuperscript{14} It is believed that politics is inevitable in the process of implementation of rural development

\textsuperscript{13} This phrase is of Harold Lasswell’s and was cited by Merilee S. Grindle in ‘Politics and Policy Implementation in the Third World’, Princeton University Press, New Jersey, 1980, p.3.
programmes i.e. identification of beneficiaries, approval of projects, funding etc. Thus, a study of the politics of rural development will have to examine issues like the role of State agencies, politicians, the poor themselves and the whole process of conflicts, disputes and negotiation among these players in the process of resource distribution and its utilization.

India has about 75 per cent of its population residing in rural areas and out of which about 28 per cent live below poverty line as on 2004-05 according to the Planning Commission.\(^{15}\) Formulation and implementation of rural development and poverty alleviation policies and programmes has therefore been a major concern of India’s development policy and strategy. Government of India (GoI) introduced and implemented several programmes in this respect.\(^{16}\) Swarnjayanti Gram Swarozgar Yojana (SGSY) programme is also one significant programme for poverty alleviation and for development of the rural areas introduced by the GoI in 1999. The thrust of SGSY programme is on the generation of employment by establishing micro enterprises in rural areas based on the potential of the rural poor through Self-Help Groups (SHGs). Women are sought to be involved in each SHG and also at least half of the groups (SHGs) at the block level are to be exclusively women groups. Thus, SHGs becomes the core of SGSY scheme. Its objective is to bring the assisted families above the poverty line in three


\(^{16}\) Small Farmers Development Agency (SFDA), Marginal Farmers and Landless Agriculture Development Agency (MFLALDA), Tribal Sub Plan (TSP), Antodaya Scheme, Drought Prone Areas Programme (DPAP), Desert Development Programme (DDP), Hill Area Development programme (HADP), Integrated Rural Development programme (IRDP) and its allied programmes like Training of Rural Youth for Self-Employment Programme (TRYSEM), Jawahar Rozgar Yojana (JRY), Development of Women and Children in Rural Areas (DWCRA), Mahatma Gandhi National Rural Employment Generation Scheme (MGNREGS), Sampoorna Gramin Rozgar Yojana (SGRY) etc.
years; this means that the assisted family earns a monthly income of Rs. 2000 in three years from income-generating assets provided through bank credit and government subsidy.\(^{17}\) A number of Government agencies such as Panchayati Raj Institutions (PRIs), Line Departments and District Rural Development Agency (DRDA) as well as Bank and NGOs are expected to be involved in the process of implementation i.e. identification of beneficiaries and key activities, funding, monitoring etc. Therefore, the SGSY programme is perceived as a scheme for greater equality and justice and a more realistic measure for the upliftment of the rural poor.

**Statement of the problem:**

Manipur has 76.12 per cent of its people living in rural areas.\(^{18}\) Manipur, like the rest of the North-Eastern States is economically backward. Important reasons for economic backwardness that have been cited are rain fed agrarian economy (about 88% of the net cropped area depends on rainfall), difficult hilly terrain, lack of infrastructural development and inability to utilize for economic development the infrastructure built, lack of exploration of natural resources of the State, inadequate opportunities for self-employment and defective implementation of development programmes.\(^{19}\) Although about 90 per cent of the State budget has been met by the Central Government, there has

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\(^{17}\) Ministry of Rural Development, *Swarnjayanti Gram Swarozgar Yojana – Guidelines*, Govt. of India, New Delhi, p. 2.


hardly been economic or industrial development in Manipur.\textsuperscript{20} The situation by 2004 had hardly improved and the State was facing many problems in terms of wide disparity in the level of development, inter-district disparity and high rate of unemployment.\textsuperscript{21} Also, Government record shows that the number of household living below poverty line has increased from 39.3 per cent in 2004-05 to 47.4 per cent in 2009-2010 in the rural areas of Manipur.\textsuperscript{22} Within Manipur, poverty is considered to be much higher in the hill districts as compared to the valley. The aggregate poverty level of the five hill districts is 53.2 per cent whereas in the four valley districts, it is 40.93 per cent.\textsuperscript{23} Statistics shows that poverty level in Churachandpur District also continues to remain high even in 2007 and about 46 per cent of households are found to live below poverty line.\textsuperscript{24} Thus poverty alleviation in the rural areas continues to be a very significant problem needing urgent attention.

Several programmes including SGSY have been introduced in Manipur to address the issue of rural development and poverty alleviation in the rural areas.\textsuperscript{25} Most of the rural development and poverty alleviation programmes in Manipur falls under Centrally Sponsored Scheme (CSS). The State government participates in such development

\textsuperscript{20} Phanjoubam Tarapot, \textit{Bleeding Manipur}, Har Anand Publication, New Delhi, 2003, p. 53.
\textsuperscript{24} \textit{List of voters and BPL according to household in Manipur}, Election Commission of India, Nirvachan Sadan, Ashoka road, New Delhi, 2007, pp. 4-8.
\textsuperscript{25} Training of Rural Youth for Self-Employment Programme (TRYSEM), Jawahar Rozgar Yojana (JRY), Development of Women and Children in Rural Areas (DWCRA), Integrated Rural Development Programme (IRDP), Sampoorna Gramin Rozgar Yojana (SGSY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).
activities by implementing it through various officials. Although, there are government records of achievement of the rural development programmes in Manipur, there are also various allegations by the people against the officials who are responsible for the implementation of rural development programmes on the failure of the same.²⁶ At the same time, officials who are responsible for the implementation of rural development programmes alleged politicians, militants etc. for the failure. It has also been claimed that the benefits of rural development and poverty alleviation programmes thus far have been appropriated by the privileged few who have a close proximity with the political leaders and the implementing officials, thus sidelining many of the poor masses.²⁷ Developmental activity is said to have remained the prerogative of a privileged few both in the hills and valleys. Therefore, in this study the role of various implementing agencies, politicians and villagers (beneficiaries and non-beneficiaries) involved in the SGSY programme have been undertaken to examine whether and to what extent conflict, co-operation and negotiation have been responsible for the success or failure in the implementation of the programme.

**Objectives of the study:**

i) To examine SGSY programme and to assess the extent to which the objectives of the SGSY programme have been met and the level of people’s participation through SHG.

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ii) To examine the role of Village Authorities, Line Departments, DRDA, and Banks in the implementation of SGSY programme.

iii) To make a comparative study of All Women SHGs (AWS) and Mixed SHGs (MS) in order to find out which group performed better on the various activities associated with the programme and the reasons thereof.

iv) To examine whether development programmes like SGSY was able to benefit the poor or not and the reasons thereof.

**Methodology:**

Data for the study was collected through primary and secondary sources.

Primary data was collected through interview schedule from beneficiaries, non-beneficiaries and implementing agencies. Beneficiaries data used in this study pertained to 162 beneficiaries belonging to 20 SHGs - 10 AWS and 10 MS who were drawn through stratified random sampling from SHGs formed during 2002-2004 and examines their performance till 2008. This period has been chosen to examine whether the assisted family (beneficiaries) earns a monthly income of Rs. 2000 in three years from income-generating assets provided through bank credit and government subsidy was realized or not. The purpose of dividing SHGs on the basis of gender composition i.e. AWS and MS was to comparatively study and examine which type of group performed better on the various activities associated with SGSY programme and the reasons thereof.
The second group of respondents consisted of non-beneficiaries falling in the area of the identified 20 SHGs drawn through simple random sampling. Through this data, the politics of exclusion in the implementation of SGSY programme has been examined.

The third group of sample was drawn through purposive sampling from officials responsible for the implementation of SGSY programme. Assistant Project Officer of DRDA, one official each from four Line departments (District Industry Centre, Agriculture, Horticulture, and Veterinary departments) who are specifically entrusted for the implementation of SGSY programme by their own Department, Field Officer of State Bank of India (SBI), members of Village Authorities (VAs) belonging to eight villages falling in the area of identified SHG were administered Interview Schedule.

Primary data was also collected from financial management registers related to savings, repayment and income of SHGs as well as attendance registers of members, minutes of meetings and rules of conduct of SHGs. Primary data was also collected from reports and documents of DRDA (Churachandpur), State Bank of India, (Churachandpur branch), District Census Office (Churachandpur), Directorate of Economic and Statistics (Manipur), Directorate of Rural Development and Panchayati Raj (Manipur), Planning Commission of India and Ministry of Rural Development (MoRD), New Delhi.

Secondary data was collected from Journals, Books and Newspapers.

The data collected from both primary and secondary sources formed the basis of analysis of the study. Data collected were quantified using simple statistical methods like
percentage and average and interpreted in qualitative terms. The findings are presented in brief as follows:-

Chapter I: Introduction

This chapter deals with major concepts of the study such as development, rural development and politics of rural development as well as overview of rural development and poverty alleviation programmes in India and Manipur. Further, socio-economic background of Churachandpur district, Review of Literature, Statement of the problem, Methodology and Objectives of the study are also included in this chapter.

The approaches and programmes adopted for rural development and poverty alleviation in India have been examined and were found to encompass different phases. Planning for rural development in India through various Five Year Plans began in the 50’s focussing on a growth oriented strategy. Some of the programmes for achieving this goal were Community Development Programme (1952), National Employment Scheme (1953) and Integrated Agricultural Development Programme (1960-61) etc. The benefits from these programmes were expected to transmit widely throughout the society, including the lowest layer. Unfortunately, these programmes did not bring the desired result. Therefore, target based approach directing to specific target group and certain disadvantaged areas was adopted in the late 60’s and early 70’s. The Programmes under this were Small Farmers Development Agency (SFDA), Marginal Farmers and Landless Agriculture Development Agency (MFLALDA), Tribal Sub Plan (TSP), Desert Development Programmes, Drought Prone Areas Development Programme (DPAP),
Desert Development Programme (DDP), Hill Area Development programme (HADP). Studies have shown that the above programmes were sporadic, selective and indirect in its approaches. None of these programmes seemed to have covered the whole country though a number of Blocks in the country had more than one of these programmes operating simultaneously in the same area for the same target group. Thus, the Sixth plan (1980-85) proposed that such a multiplicity of programmes operated by a multiplicity of agencies should be ended and replaced by a single programme operative throughout the country. This programme was named as IRDP. An agency called DRDA was also created to implement the centrally sponsored poverty alleviation programmes. With this came a shift in the strategy from indirect to direct programmes for poverty eradication. IRDP was in existence till 1999. However, on the basis of the recommendation of S.R Hasim committee appointed by the Planning Commission, it was merged with Development of Women and Children in Rural Areas (DWCRA), Training of Rural Youth for Self-Employment Programme (TRYSEM) and a host of other programmes and was restructured and renamed as SGSY.

Chapter – II: SGSY programme and Self-Help Group in Churachandpur District

In this chapter, the salient features and provisions of SGSY programme as well as its implementation have been discussed. Further, the composition of SHGs in terms of gender, scheduled caste/tribe and disabled as well as the conduct and management, saving activities, revolving fund, training programmes, bank loan, utilization of savings and bank loans, repayment pattern and economic activity of SHGs were examined.
The objective of this chapter is to assess and examine the extent to which the programme objectives i.e. to cover 30 per cent of the poor in each block within five years and to enable the assisted families earn a monthly income of Rs. 2000 in three years from income-generating assets provided through a mix of bank credit and government subsidy have been met or not in Churachandpur district of Manipur.

Data collected regarding the implementation of SGSY programme in Churachandpur district shows that the coverage of the programme in terms of households and geographical areas were found to be limited. Within five years (2002-07), only about 15 per cent of the total households were covered under SGSY programme in Churachandpur district. Further, it was found that majority (90 per cent) of SHGs were concentrated in the four blocks i.e. Lamka, Tuibuong, Saikot and Samulamlam which are located in and around the district headquarters whereas only about 10 per cent were found in the three blocks i.e. Henglep, Singhat and Thanlon that are situated further from the district headquarter. One block i.e. Tipaimukh has been totally left out in SGSY implementation due to the absence of banking infrastructure and absence or minimal presence of offices, officials as well as due to its remoteness from the district headquarter. The reasons for the asymmetrical block-wise distribution of SHGs in Churachandpur district was due to ignorance of the villagers, lack of sincerity and dedication on the part of the implementing agencies as well as inaccessibility to information, offices and officials. Therefore, one of the objectives of SGSY programme i.e. to cover at least 30 percent of the rural poor in each block within five years was not realized in Churachandpur district.
Also, SGSY programme was designed as a holistic programme covering all aspects of providing sustainable self-employment i.e. organisations of the rural poor into SHGs and their capacity building, planning of activity clusters, credit etc. to the rural poor with the ultimate aim of poverty alleviation in rural India. However, findings in this chapter revealed that performance of SHGs and their members in most aspects fall short of expectation. Though people’s participation in training programme, decision making and saving activities of SHGs were quite significant, it was evident that these positive characteristics of SHGs and their members were not enough to bring the assisted families out of poverty. It was observed that a SHG mobilized around Rs. 511 in a month. This means that each SHG member gets around Rs. 43 which is way below the targeted income of Rs. 2000. Data regarding economic activity also revealed that majority of SHGs (85%) do not stick to their chosen activity and performed multiple activities. Any activities which could generate income at any given time have been taken up. Only 40 per cent of SHGs have created physical assets for performing economic activity. The question of coming up with sustainable income generating micro-enterprises was therefore remote as feasible economic activities were not identified which resulted in taking up multiple economic activities by majority of SHGs as per our findings for Churachandpur District of Manipur.
Chapter III: State agencies and their role

In this chapter, the role of State agencies such as VAs, Line departments and DRDA as well as Bank and NGOs as stipulated in the guidelines and their actual roles in the implementation of SGSY programme have been examined.

Village Authorities: - According to the guidelines of SGSY programme, PRIIs are entrusted to approve the list of BPL families, identify key activities to be taken up, monitor the performance of SHGs and also ensure regular repayment of loan by SHGs. However, as there is no Panchayat system in the hill districts of Manipur, selections of beneficiaries under poverty alleviation schemes are entrusted to the VAs according to the notification for VAs that came up in 1971.28

In Churachandpur district, it was found that issuing BPL approval certificates to the villagers who intend to form SHGs was the only role played by VAs in the implementation of SGSY programme. It was found that the VAs were not involved in the identification of key activities, monitoring of the performance of SHGs and also in ensuring regular repayment of loan by SHGs. The role of VAs in the implementation of SGSY programme was thus limited. Some of the reasons for their limited involvement were the absence of clear-cut demarcation for their role in the programme’s guidelines, inactivity from higher authorities like the DRDA to co-ordinate with the VAs. It was observed that the State government or DRDA did not give any information or notification to the VAs regarding their role in SGSY programme implementation. The VAs came to

28 Vide Para 5 of Letter No.4/2/71 dated the 19th July, 1971 issued by the Chief Secretary to all the Deputy Commissioners, Manipur.
know about the programme and their role in its implementation only when villagers approached them for BPL approval.

*Line department:* - Line departments are those government departments at the State level having the responsibility on specific thematic sectors such as Agriculture, Industry, Horticulture, Water supply etc. Line departments have an important role to play in the implementation of SGSY programmes according to the programme guidelines. Line departments are to identify key activities in collaboration with other implementing agencies. They are also to prepare project profile for the key activities and monitor the key activities in their respective sectors. Besides, Line departments are also responsible for planning and creation of the infrastructure required for making key activities successful.

In the implementation of SGSY programme in Churachandpur district, Line departments like District Industry Center as well as Agriculture, Horticulture and Veterinary departments were involved. It was observed that there were no key activities identified under SGSY programme and as such studying the role of line department in identification of key activities does not arise. However, based on the economic activities chosen by the SHGs, training programmes were organized and Line departments were involved in giving training specifically on economic activities that falls under their respective department. But only one official from the Line departments seems to be satisfied with the quality of training imparted. On questioning other officials from Line departments involved in the programme’s implementation the reason as to why they were
not satisfied, they revealed that they had to act on the direction of higher authorities and the topics of training imparted to the SHGs were also decided by the higher authorities.

Further, with regard to project profile, it was found that out of the four officials from Line departments involved in the implementation of SGSY programme, only the official from the veterinary department mentioned about writing a Project profile which was again not followed up. The officials from Line departments were also of the opinion that the amount of RF and BL received by SHGs were too less to even create a proper infrastructure for pursuing economic activity. The officials from Line Departments involved in the implementation of SGSY programme claimed that due to the lack of opportunities given to them by the higher authorities, they could not carry out their roles effectively.

*District Rural Development Agency (DRDA):* In India, DRDA is at the helm of implementation of all poverty alleviation programmes in the District level. For SGSY programme, DRDA is to organize SHGs and their skill upgradation programmes through training programme. Further, DRDA is expected to co-ordinate the various aspects of the programme’s implementation. They are to co-ordinate with the technical institutions for technology and training; the Bank for credit mobilization; the line departments for infrastructure and technical follow up. DRDA are also to co-ordinate marketing activities for the products of SHGs.
In Churachandpur District, the first step taken by DRDA in the formation of SHG was issuing notification to the villagers through Anganwadi, local newspaper and block level officials to form SHGs. Thereafter, one Assistant Project Officer (APO) was specifically entrusted to manage SGSY implementation by the DRDA, Churachandpur. As such, under APO leadership the SGSY programme was implemented. Under the APO initiative along with other implementing agencies, SHGs in the villages were surveyed to see whether they actually existed or not. At the SHGs formation stage, it was found that APO even went to the extent of house to house campaign requesting especially women to be a part of SHGs and assisted them in filling up the forms. Further, DRDA organised training programmes for SHGs. Besides, under DRDA’s initiative, selected beneficiaries also participated in ‘Saras’ (an exhibition organized by Ministry of Rural Development) where SHGs were given the opportunity to showcase and sell their products. DRDA also organized ‘melas’ from time to time at the district headquarter in an effort to promote marketing for SHGs. DRDA is also expected to coordinate every aspects of the implementation of SGSY programme. However, their involvement in terms of coordinating with other agencies involved in the implementation of SGSY programme like Village Authorities and Line departments was not satisfactory. Besides, it was found that the DRDAs were least bothered about the progress of SHGs.

Assessment of DRDA’s role in the implementation of SGSY programme implementation therefore revealed that the officials from DRDA were involved with much enthusiasm only in the group formation stage and in organizing training programmes for SHG members.
Bank: - According to the programme’s guidelines, bank is expected to be involve in all the stages of SGSY programme’s implementation i.e. identification of key activities and planning for all the elements of the key activities as well as identification of SHGs for financial assistance.

In Churachandpur District, it is observed that the availability of banking infrastructure has been decreasing over the years. In the 80’s, all the sub-divisional headquarters had banking facilities, however due to the increasing deterioration of law and order, ethnic conflicts and insurgency problems, four sub-divisional headquarters have been deprived of banking facilities. As on 2008, only four bank branches exists in the entire districts. In the implementation of SGSY programme in Churachandpur district, State Bank of India (SBI), Churachandpur branch was involved. The bank did not have much say in the identification of key activities as SHGs were given a free hand to choose their own economic activities. The most significant role played by the bank was in the identification of SHGs and extending bank loan to the SHGs. According to the field officer from SBI, Churachandpur branch who was involved in the implementation of SGSY programme, a survey was conducted in the villages to examine and find out SHGs that fulfilled the criteria for availing financial assistance from bank. Therefore, it was found that officials from the bank were involved only in identification of SHGs for SGSY programme and extending bank loan to SHGs.
Non-Governmental Organizations (NGOs): In the implementation of SGSY programme, NGOs are expected to be involved in the formation and nurturing of SHGs as well as in monitoring of the progress of SHGs.

In Churachandpur district, NGOs were not officially engaged by DRDA for SGSY programme’s implementation. However, they were found to play an important role in the formation and nurturing of SHGs due to their involvement with SHGs movement in Churachandpur district. Several SHGs formed by NGOs were absorbed under SGSY programme. Besides, training programmes for SHGs were organised by several NGOs from time to time. They organize these training programmes as a promoter of SHGs or as ordinary NGOs for the purpose of getting fund from financial institutions like NABARD and government.

Thus, a study on the roles of implementing agencies involved in the implementation of SGSY programme in Churachandpur district shows that though some works were done by few officials, it is evident that active involvement of different agencies in a coordinated manner is absent due to lack of accountability among them. The involvement of all the implementing agencies appears to be quite limited in the whole process of implementation.

Chapter IV: Comparative study of Self-Help Groups

This chapter deals with comparative study of all women SHG (AWS) and mixed SHG (MS) on the basis of conduct and management, capacity building, saving activities,
availing and recovery of subsidy and loan, utilization and investments of savings and loans, repayment pattern, number of years of operating and sustainability of SHG. The objective of this chapter is to find out which type of group performed better on the various activities associated with SGSY programme. Further, it also attempts to understand and examine to what extent AWS fulfilled these basic characteristics and activities of SHG associated with SGSY programme as compared to MS and the reasons thereof.

The findings on the performances of AWS and MS revealed that in Churachandpur district, MS seemed to lag behind AWS in their performances with regards to keeping bye-laws, free exchange of opinions among members in group meeting, shared decision-making, participation of members in training programme, number of times and amount of bank loan received, number of members availing internal loan, internal loan repayment rate, bank loan repayment rate, concentration on a specific activity, consistency of number of group members and life span of SHGs. Some of the reasons why MS lagged behind AWS in these activities were ignorance of group members, lack of social homogeneity, mixed ethnicity, gender composition, prevalence of patriarchal values, failure of the members to attend group meetings and contribute for group savings, financial mismanagement by members etc.

Apparently AWS performed better than MS in terms of keeping bye-laws, free exchange of opinions among members in group meetings, shared decision-making, participation of members in training programme, number of times and amount of bank
loan received, number of members availing internal loan, internal loan repayment rate, bank loan repayment rate, concentration on single activity, consistency of number of group members and life span of SHGs. However, when it comes to conducting weekly meetings, savings and income generation, AWS were found to lag behind MS. The reason as to why AWS lagged behind MS in average group savings and income generation might be attributed to unequal gender equation between the male and female in the tribal society. Besides being an active partner of men in every non domestic economic activity, tribal women are found to be overburdened by indispensable everyday domestic work. Further, the property or wealth of the household is more or less directly under the control of the head of family (male). The male as the head of the family has the final authority on the family income and expenditure and women cannot take independent decisions relating to this matter alone. Women engaging in SHGs under SGSY programme were also found to have been overburdened by domestic work which cannot be deferred by nature, besides agricultural and social activities, thus limiting their ability to go out of the house and explore potential avenues for profitable activities. It was also found that male members have more advantage in attending any of the activities associated with the programme than female members. Further, about 73 per cent of SHG members belonging to AWS were found to be housewives who do not have an income of their own and as such could not contribute adequately to the group fund.

Therefore, the social institutional arrangement i.e. patriarchal system and gendered division of work found in the tribal societies of Manipur could be one important

factor responsible for the relative poor performance of AWS in terms of group’s average savings and income generation.

Chapter V. Politics of rural development and poverty alleviation

This chapter attempts to study the politics involved in various stages of SGSY programme’s implementation. It deals with those factors which determine the approval of Below Poverty Line (BPL) households, grading or approval of Self Help Groups (SHGs) for SGSY programme, availing of financial assistance and monitoring to examine whether rural development and poverty alleviation programme such as SGSY has really benefited the poor or served the interest of some influential people such as politicians, implementing agencies, local leaders and insurgent groups. Data relating to this chapter was collected from respondents belonging to both non-beneficiaries and beneficiaries as well as from implementing agencies of SGSY programme in Churachandpur district.

According to the guideline of SGSY programme, the Village Authorities (VA) is to approve the list of families belonging to BPL who intend to form SHGs. In this respect, it was seen that although most of the VA (85%) themselves were ignorant about the basic concept of BPL as well as survey conducted by any government agency in the villages, they issued approval certificate without taking into consideration the eligibility laid down by the Planning Commission. The study also sought to examine the awareness of the villagers about the programme so that they can pursue the VA for BPL approval to form SHGs. It was found that about 53 per cent of the villagers were aware or had knowledge about SGSY programme. Out of the 53 per cent, it was noted that majority
(87.2%) of them attempted to get BPL approval from VA. However, only about 61 per cent got BL approval and about 39 per cent did not get it. Further, it was also found that approval of BPL households by VA as well as the reasons for not getting BPL approval from VA for SGSY programme was due to factors like corruption, nepotism based on clan and family affinity as well as favoritism based on political ties.

Another dimension of the programme’s implementation was that several implementing officials on the ground of confidentiality revealed that many fake SHGs were forcibly established through the involvement of underground forces. The officials were forcibly taken to undisclosed locations by underground groups to verify their files relating to SHGs, thus bypassing BPL approval by the VA.

Also, even after getting VA approval and forming SHGs, it was found that a sizeable number of villagers (61.33%) were denied benefits from the programme due to lack of action from the other implementing agencies i.e. DRDA and Bank as well as lack of proximity and connection with them. Women had to face additional problems. Due to the prevalence of patriarchal values, it was found that women had very little role in decision-making and male members mostly discouraged women from taking part in these programmes. Further, they found it difficult to leave family members and children behind to pursue matters like pushing files, contacting implementing officials, politicians etc.

According to the guidelines of the SGSY programme, the implementing agencies are supposed to guide and nurture the SHGs throughout the process of programme
implementation, but in reality it was seen that SHG members have to consistently pursue the officials for the same. After becoming beneficiaries under SGSY, it was found that financial assistance in terms of revolving funds and bank loans were granted to SHGs mostly on the basis of how SHG members engaged or influenced the implementing officials with monetary, political and other forces. Many SHGs (45%) have reported that they could not get loan more than once due to lack of the above stated factors. It was also revealed that even processes like signature for verification, disbursing of loan, inspections etc. were intentionally delayed to attract bribe from the SHGs. Further, 75 per cent of the SHGs revealed that certain percentage (about 15-20%) was deducted from revolving fund and loan either by officials from DRDA and Banks and also by NGOs for the help they have rendered to them and also as a share for the underground. Further, about 65 per cent of SHGs revealed that they used political influence to avail revolving fund and bank loan.

On the other hand, implementing officials from Line department, Bank and DRDA revealed that they were always under pressure from various quarters like underground, politicians and NGOs to give preferential treatment to their respective clients and were sometimes even forced to follow their directions. On this ground they expressed their helplessness in strictly following the guidelines of the programme.

Further, although coordinated implementation was one of the objectives of the programme, it was seen that the whole process of SGSY programme’s implementation in Churachandpur district was characterized by nepotism, corruption and political influence
in which implementing agencies, politicians and undergrounds were involved and the
villagers become either victims or participants in the whole process. As a result, the target
groups i.e. villagers belonging to BPL households were sidelined.30

Therefore, the study of politics involved in the implementation of poverty
alleviation programme for the rural areas like the SGSY in Churachandpur district of
Manipur shows that politics in the form of nepotism, corruption and political influence
pervades the various stages of programme implementation, thereby acting as an
impediment for poverty alleviation in Churachandpur district of Manipur.

Chapter VI: Conclusion

This chapter is the summary of the findings of the study.

Examination of the performances of Self-Help Group (SHG)s reveals that though
the compositions of SHGs in terms of numbers of members, weaker sections like SC/ST
and women falls within the prescribed limits as given in the programme’s guidelines,
disabled were absent in any SHGs. It is also evident that the positive characteristics of
SHGs like people’s participation in training programmes, decision making and saving
activities of SHGs were not enough to bring the assisted families out of poverty. Further,
the programme's aim of establishing a large number of micro-enterprises in the rural
areas for sustainable income generation was not realized in Churachandpur district of
Manipur. Also, the coverage of the programme in terms of households and geographical

30 In this study, a family who has less than Rs. 20,000 annual income is considered to be a household’s
living Below Poverty Line (BPL). This is based on the Ninth Five Year Plan (1997-2002) which states
that a family who has less than Rs. 20,000 annual incomes falls under BPL. Please refer to Planning
areas was found to be limited due to lack of infrastructure such as adequate banking infrastructure, administrative officials etc.

A study on the role of implementing agencies in the programme’s implementation reveals that though some works were done by few officials, active involvement of different agencies in a coordinated and sustained manner was absent. The implementing agencies were found to be lacking in proper understanding of SGSY programme, their role in SGSY implementation and empathy for the beneficiary. The role of the implementing agencies in the implementation of SGSY programme as a whole falls short of expectation as envisaged in the programme’s guidelines.

Comparative assessment of SHGs on the basis of gender composition reveals that AWS performed better than MS in many aspects like conduct and management, participation in training programme for capacity building, number of times and amount of loan received etc. However, they lagged behind MS in few activities like average savings and income generated by a member of SHGs due to the prevalence of patriarchal values in the tribal society of Manipur.

The study on politics of rural development and poverty alleviation reveals that politics in the form of nepotism, corruption and political influence pervades the various stages of SGSY programme’s implementation like approval of BPL list, identification of SHGs, allocation of resources etc. Due to this, the programme’s objective i.e. to bring the assisted family out of poverty was not realized in Churachandpur district of Manipur.
It was therefore observed through a critical study of the implementation of SGSY programme and the politics involved at various stages that the objectives of the programme was hardly realized in Churachandpur district of Manipur.