REVIEW OF LITERATURE

Rural development means development of the rural areas in such a way that social economic technological and natural components of rural life changes m a described direction within the framework of the national goals and obligations and without prejudice to the development of urban areas of the country\(^1\). Rural development has been described as a challenge for a mission to fight against poverty, illiteracy, unemployment, ill-health arid various socioeconomic conditions\(^2\).

Rural development aims at development of the traditional rural society into a modern one by bringing about socio-economic reforms and planned progress and integrating the low income segments with the rest of rural community by ensuring them better participation in the production process and more equitable share in the benefits of development. It is equally concerned with the development of infrastructure like roads, transport, power, insurance, banking, cottage industries, traditional crafts etc.

Historically speaking, the term rural development was earlier known as community development which emerged during the period of Second World War as technique for development of under developed agrarian economy based countries\(^3\). It was considered to be a tool to raise the standard of living of the oppressed class of people. According to World Back study on “the Assault on World Poverty Problems of

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\(^3\) Bhattacharya, S.N. Community Development: An analysis of the programme in India, Academic Publishers. Calcutta, 19970, p.1
Rural Development”, the rural development must integrate rural poor into the social, political and economic life of a country. It implies, by adopting rural development programmes, we can bring integrated development throughout the nation in all sectors. Rural development is also defined as a process aimed at improving the well being of the people living outside the urbanized areas.\(^4\)

Rural development is a concept aimed to provide all developmental potentialities in rural areas which could increase their standard of living.\(^5\) The rural development is a process of optimum utilization of the natural and human resources of a given rural area for the enrichment of the quality of life of the population.\(^6\) If focused the need to for micro level village planning and it should of integrated rural development is also defined as a series of mutually supporting agricultural and non-agricultural activities oriented towards a stated objective which involves the progression and rural sub-system and their interaction leading to desired improvement in the rural system as whole.\(^7\) The achievement of integrated rural development depends in relation between various sectors, how one sector is related with another sector and their functional linkages between different sectors, say agricultural sector and industrial sector and their


\(^7\) Ahmed. Y.L. Administration of Integrated rural development — A note on Methodology, international Labour Review. 1975, pp.119-142.
dependence on infrastructural facilities which are combined to bring a desirable improvement in the rural areas.

Rural development involves developing rural economy so as to raise the standard of living of those rural people who are poor require upliftment. For the purpose, government of India introduced several poverty alleviation programmes aimed to increase the standard of living of the rural poor by providing self-employment generating ventures in different categories of occupation.

Rural development seeks to involve a process of transformation from traditionally oriented rural culture towards an accepted and reliance on science and technology. It states that to what extent the target group farmers are expected to adopt and integrated the new technology into the existing farming system. The effectiveness of technology transfer depends on the support system as well as socio-economic system in which other systems operate and also on the introduced new technology to some extent which ignores the enormous potential of peasants’ innovations and resourcefulness. The transfer of new agricultural practices and its allied technology depends on the active participation of young agricultural scientists and their role in research and extension system is very essential for effective transfer of technology.

So the problem of rural development is the provision of trained manpower to create and staff the institutions necessary for serving the farmers and effort to increase


production\textsuperscript{10}. It focused the need for the development of human resources and its role to create awareness towards the newly introduced new technology and also how to utilize the existing opportunities and potentialities for their well being.

**Objectives of Rural Development**

The main objectives of rural development are:

- Improvement of the living standards for the well being of the masses by ensuring that they have security and their needs such as food, shelter, clothing and employment are met.
- Making rural areas more productive and less vulnerable to natural regards, poverty and exploitation.
- Ensuring as much local autonomy and as little disruption to traditional customs as possible\textsuperscript{11}.

**Importance of Rural Development**

If rural areas are developed, it means the whole country is developed. In any country, it is seen that majority of the population lives in villages. If the villages and rural people

\textsuperscript{10} Manpower Planning and Efficient Utilisation of Agricultural Graduates in India, Address given at Agricultural Universities Convention, Poona by Dr. Mi. Dewan

developed, it is an indication that the country is developed. It is thus, the importance of rural development is linked with the development of the whole nation.

If we look the importance of rural development from the broader the eradication of which is the supreme objective of all development efforts has the widest incidence, as source poverty in rural areas. It is the landless rural labour that forms the largest reservoir of poverty in the country, and is the source of urban poverty too. Industrialization, to some extent, can reduce the incidence of poverty, especially urban poverty, but to have this effect, industrialization not only has to be labour-intensive, but perhaps more importantly, mass based. The latter characteristic, namely, the mass-base, can be acquired b production of goods and services of mass consumption, sustained by stead increase of the purchasing power of masses, resulting from additional employment created by the labour intensity of the industries concerned. Indeed, it is only such mass base that can ensure continued expansion of industries leading to a level of industrialization commensurate with the size and population of the country. Industrialization based on elite consumption, on the other hand, has limited potential. The narrowness of the base restricts its growth. It can create only islands of affluence in the surrounding sea of poverty.

Several studies, which including Cross sectional, Longitudinal Studies, Research Reports and Case studies has been portrait in National as well as state level. Mean time several authors who had been focusing the issue of empowerment through various rural development schemes with special reference to the NREGA etc. The following review shown the literature illiterate towards the Scheme.
S.B. Verma, Ram Dayal Singh and Shiw Kumar Jiloka (2006) revealed that despite the steady growth of economy after independence, the problem of unemployment is still on the increase. The benefit of growth has failed to percolate down to the poor people especially in rural areas. The "strategy for poverty alleviation includes acceleration of rapid economic growth with a focus on employment intensive sectors (generation of income and wealth), access to basic minimum services for improving the quality of life of poorest of poor; and direct state intervention in the form of targeted anti-poverty programmes, including provision of subsidized food grains.

Clem Tisdell (2007) stated that rapid economic progress and pledges by the developed nations to eliminate poverty, millions of people still remain in poverty globally. His book providing new general perspectives on poverty and social disadvantage and policies to address those, follows up by presenting a wide range of original national and regional studies, including some in-depth unique case studies of situations involving poverty and social disadvantage. The relative coverage of topics in this book broadly reflects the comparative geographical incidence of poverty globally. A feature of this book is that experts who have first-hand knowledge of the social issues they address have written the contributions.

Sita Ram Singh (2005) proclaimed that poverty is a peculiar multidimensional global phenomenon. Global poverty is a simple largest challenge to sustainable development. It is a great moral and social challenge. Though poverty is a widespread phenomenon of LDCs as well as developed nations its nature and magnitude are not
More than a period of economic reform including globalisation, liberalisation, mercerization and technological innovation has not shown satisfactory outcome in eradication of poverty especially in India.

This book with a comprehensive collection of thought provoking articles contributed by eminent scholars provides a most authoritative assessment of poverty alleviation. This carefully assembled collection is an important set of readings of the study for those who want to keep abreast of cutting edge research on the various dimensions of poverty in the third world particularly in India.

This edited volume deals with issues related to up to date survey and analysis in the field of alleviation of poverty and sustainable development. It also explores the challenges and opportunities rose by this and examine current status of future directions of model-based systems in decision support and their implications to sustainable development planning and poverty alleviation.

S.N. Mishra (1997) described that basic objective of our development planning has been growth with social justice. Accordingly, the government has set itself to the goal of reduction in the incidence of poverty and its ultimate eradication within a time-frame. Since the policy did not achieve its goal of eradication of poverty, the new strategy, which sought to directly attack poverty by means of specific programmes meant for certain sections of the society has since been described as the target group approach to development. However, to a great extent, the target group approach has also failed to achieve the target. If one looks into its reasons, one thing becomes quite
clear—that perhaps partial success on development front was due to non-involvement of Gram Panchayats in such programmes. Wherever Gram Panchayats had been involved, the story had been entirely different.

In this context, the present volume analyses empirically as to how the involvement of Gram Panchayats plays in effective role in eradication of poverty from rural India. with the help of several tools of empirical study, the study, finds out certain bottlenecks which come in the way of effective implementation of poverty alleviation programmes and finally, based on surveys, it gives certain recommendations which may prove quite helpful in eradicating poverty from the countryside.

Deolalikar, A. in his (2004) reveals that employment opportunities for the poor are affected by diverse factors including macroeconomic conditions, regulatory constraints on small businesses, lack of access to job market opportunities, infrastructure, education and training, and bad health. A range of issues concerning labor market regulations and legislation, e.g., employment protection rules such as minimum wage, hiring and firing regulations, etc.,

Raghav Gaiha (2005): emphasis on the participation in the Employment Guarantee Scheme (EGS) in the Indian state of Maharashtra has declined in recent years, the program continues to bring significant transfer and stabilization benefits to some of the least-developed villages during long seasonal slack periods. Because
alternative employment options are few and far between, this dependence on the EGS is unavoidably high.

The study of Dantwala (1978) indicates that the EGS provided employment and additional income to some sections of unskilled workers in Maharashtra. It shows that India needs public works as one of the mechanisms for poverty alleviation. The public works are often criticized, with some justification, for creating unproductive (low productive) assets. It is also argued that these programmes provide only short-term relief and supplementary income (current benefits) and are not useful for long-term benefits.

As Dantwala mentions "the public works approach to unemployment would make sense if it is so organized that there will be progressively less and less reliance on it, so that ultimately it becomes redundant". It may be noted that they are not meant to function as a permanent escape route from poverty. One has to recognize the insurance or stabilization function of these schemes. Also, the primary objective of most of these schemes is guaranteeing employment and poverty alleviation.

The recent concurrent evaluation (Fifth Round) of IRDP in Andhra Pradesh has revealed: the programme has covered 12 per cent of rural households. The selection by the Grama Sabha was 60 per cent of beneficiaries - this percentage has declined from 92 in the fourth round of evaluation; the IRDP is contributing to diversification of rural occupations/employment, with self-employment in non-agriculture being the principal
gainer; three fifths of the assets of old beneficiaries are in productive use, and of the rest having been sold or transferred and in respect of new beneficiaries 91 per cent are in production use.

The average net income from IRDP asset is Rs.1898 per annum and is equivalent to less than two months of wage earnings at the prevailing average agricultural labour for field labour (man) in the State. A rupee of investment in IRDP assets yielded an income of Rs.0.55. There is sizeable reduction in the proportion of the poor among old beneficiaries - all poor having declined from 75 per cent to 56.6 per cent and very poor from 34 per cent to 16 per cent. A sizeable proportions (a fifth with boys and a quarter with girls) of beneficiary households have children not currently attending school. Of the beneficiary households with children, 13 per cent have boy children and 14 per cent have girl children working to support the family; and some of the beneficiaries (3 per cent) continue as bonded labour (Venkataramaiah, et al, 1997).

The studies expressed concerned over the leakages during the implementation of the programme i.e. mis-identification and non retention of the assets. Several studies have indicated that between 15-26 percent of those identified were non-poor. The study conducted by the NIRD reveals that about 17 percent of the beneficiaries assisted were not in eligible for assistance (Tripathi et al, 1985). The studies conducted by ICM (1996, 97, 99) and Rao (1991, 1993) also reveal the same. Various evaluation studies revealed that on an average 28 percent of the assets were not retained by the beneficiaries beyond two years after the assistance (PEO1985, PNRAO 1991, 93, ICM 97, 99). The
beneficiaries find it hard to retain and use even the non-land assets without a supportive land base. This has been confirmed by these studies. The PEO study found that 88 percent of the beneficiaries experienced income improvement. The studies by ICM, PEO, NIRD 1985) pointed out that the acquisition of income generating schemes have led to a process of liberation and enhancement of status to the beneficiaries cannot always be quantified.

The study by Galab (1987), Parthasarathy (1991) and ICM (1997, 1999) indicted that differences exist in the generation of income by various IRDP schemes across different occupations and caste groups. The beneficiaries crossing poverty line due to IRDP varies significantly according to different studies. The range from 49.5 percent as per PEO study to 17 percent by the RBI study. The studies of Govt. of India (1986, 87, 89) showed that 50 percent of the old beneficiaries have crossed poverty line of Rs. 3500 and 12-13 percent of new beneficiaries have crossed poverty line of Rs. 6400. The studies by ICM and Rao, revealed that the crossing poverty line varies between 6-11 percent. The main contribution is primary sector and ISB sector schemes. According to Subba Rao (1985) the lowest income groups have the least income mobility compared to the other income groups.

In the pursuit of poverty alleviation programmes such as IRDP and JRY etc., concern for undertaking activities like soil conservation, water harvesting, drainage and construction of field channels which raise agricultural productivity is not adequate. This integrated approach is detrimental to raise agriculture productivity as well as to
alleviating rural poverty on a sustainable basis. He further emphasized that self employment programmes like IRDP have usually proved to be more productive and better integrated with overall development in regions which are infrastructurally developed. Less developed regions are in greater need of labour intensive works for infrastructure development.

“Migration for work is very expensive. Half of our earnings are spent in commuting alone. When we used to go to the bazaar to work, we had to face exploitation from the explorer”

- Sita bai (Sirohi district, Rajasthan)

“Before the NREGP, we had to go far for work. There was no place to stay, so slept with our children on the footpath where dogs also slept with us.”

- Dinesh, 20 years (Badwani district, Madhya Pradesh)

These testimonies sum up the importance of the NREGP in the lives of many migrant laborers. It is a valued source of local employment, if not - at times - the only source. In their minds, migration is associated with hardship and they resort to it only when there is no alternative.

Such is the outlook, for instance, of Baleshwar Mahto, a resident of Uttari Dehati in Bihar’s Araria district. Baleshwar goes to Punjab every year in search of work to sustain his family. He had planned to go there last June as well. However, he got NREGP employment in his own village and so he decided to stay back. Baleshwar will definitely go to Punjab next time - the trip has only been Postponed.
Balehwar’s story illustrates the situation faced by many in Araria. Large numbers of people there are forced to look for work in Punjab, Delhi and Gujarat as employment is hard to find locally. What is available is very poorly paid, with wages varying from Rs. 40 to Rs. 60 a day during the harvest season, even less (Rs. 25 to Rs. 50 a day) otherwise. Baleshwar takes up such employment only when he is forced to stay in the village, for instance, owing to illness in the family.

In the cities, they live in deplorable conditions, with no access to basic services such as shelter, sanitation or even safe drinking water. In the case of rural only migration, women and children face material and psychological insecurity, and family relations often suffer.

The NREGP is a potential liberation from these hardships. Naresh Hirshi Dev from Palaman (Jharkhand) put it succinctly to be with your family and get work in the village is a real relief.

To sum up, Mahatma Gandhi NREGP is emerging as a powerful policy platform that synergizes multiple inputs and multi-layered processes towards development goals. These are

i) Enhancing economic security

ii) Promoting gender equity and equitable opportunities to disadvantaged groups.

iii) Enhancing bargaining power of the poor.

iv) Creating green jobs thus enabling ecological security.

v) Augmenting water resources.
vi) Enabling planned convergence with programmes of water resources, forestation, agriculture productivity.

vii) Adaptive towards the adverse effects of climate change.

viii) Strengthening democratic processes through grass roots participation.

ix) Leveraging transparency and public accounts processes towards government reform

The studies by Sudershan (1986), George (1997) revealed that NGOs implemented programmes are performing well when compared to government implemented programmes. The study by Haragopal and Balaramulu (1989) revealed that panchayat raj institutions were intended to ensure peoples participation and improving living conditions of the people which are neglected. Another deficiency which Sankaran (1998) highlighted was that village level institutions could not come into their own because of inadequate devolution of responsibilities and resources in the absence of a well equipped planning mechanism at decentralized level capable of formulating a single integrated rural development plan with professional competence enlisting peoples participation and safeguarding the interests of weaker sections.

In an innovative study conducted by A.P Mahila Abhivruddhi society (APMAS), it was found that only 16 percent of the 291 SHGs studied, can only be ranked as good based on the impressions of the investigators on maintenance of books, meetings, internal lending, leadership, bank linkage and overall functioning of the SHGs. 49% of them were ranked average and 35% were ranked as poor. In all the three districts
studied (Adilabad, Cuddapah and Vizag), the groups were found to be saving on a regular basis is 78% of the groups save regularly.

According to the members across different groups and across the 3 districts, being part of a group adds value to them and has brought about an upturn in their lives. 72% of the members of the groups are from weaker sections i.e. SC (19%), ST(9%) and BCs (44%). The members utilize 77% of the credit for consumption purposes. Idle funds as a percent of total funds available was very high at 33%. The study concluded that the savings done in the group help them meet their day-to-day consumption needs thereby reducing their dependency on money lenders (APMAS, 2002).

Under rural employment programmes, NREP and RLEGp and presently JRY, and Employed Assurance Scheme (EAS), the works undertaken have contributed for the creation of community assets as well as assets to down-trodden sections, besides providing wage employment to the poor. The watershed programme undertaken with EAS and Desert Development Programme (DDP) in recent times are contributing for the restoration of ecological balance, ensuring sustainable agriculture. The benefits flown to the poor are relatively high from these programmes compared to the self-employment programmes. However, these programmes have not contributed for the increase in wages (Galab 1997). The JRY programme could cover 15 per cent of the unemployed, which can be considered as a significant creation of employment. This programme has contributed to create interest among elected representatives and to more wider participation. It has given greater flexibility to village Panchayats in the choice of
projects. However, the programme needed improvements in two vital respects: it is not adequately related to agricultural development, and its location and timing needed improvement (Parthasarathy, 1995). These studies have not evaluated the programmes in the context of the qualitative and quantitative changes that are taking place. The studies on labour market have pointed out that when higher wage rates exist, self employment through asset creation will be a more effective intervention in the labour market than wage employment programmes (Radhakrishna et al, 1998).