## Chapter IV – Food Absorption and Rural Development Schemes

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Chapter IV – Food Absorption and Rural Development Schemes

4.1 Food Absorption

Along with food availability & food accessibility, food absorption is equally important for food security. Food absorption means being able to assimilate the food consumed for a healthy life. The Food Insecurity Atlas of Rural India comments that food absorption or assimilation of the food into the body is the final step in achieving food security for a healthy & long life. Food absorption depends upon the state of health of the individual, environmental sanitation, hygiene & safe drinking water, balanced diet, knowledge of nutrition & good dietary practices.\(^1\)

- Nutrition

India has been facing the problem of malnutrition. The nutritional status of the population particularly poor has not received due attention. This is so inspite of the fact that the majority of the population is undernourished. Undernourishment is a problem, which has serious long-term implications for daily activities so much so that A. Pacey and P. Payne define undernutrition as ‘unacceptable penalties in terms of hunger, illness, dysfunction & risk of dysfunction.’ The nutritional status has a bearing on efficiency & productivity of labour, the only asset of the poor, and hence their wages and incomes too.\(^2\)

The average level of calorie intake is low & the incidence of calorie deficiency is so high across states that there is little scope as Suryanarayana points out for eradicating the incidence of calorie deficiency by pursuing a targeted policy uniformly across regions. It is therefore imperative that the government initiates policies aimed at improving the nutritional status of the population as a whole by introducing programmes designed to ensure the economical and the physical access to

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all sections of its population to the food grains and also for guiding consumer choice. Malnutrition, which has barely improved over the past decade, affects half the country's children. It is not only food but nutritious food to which citizens specially children, women and the old should have adequate access. The Tenth Five Year Plan unequivocally admits that there are pockets in the country where 'severe under-nutrition takes its toll even today.' Therefore there will be a paradigm shift from household food security & freedom from hunger to nutrition security to the family and the individual.

In the words of Amartya Sen and Jean Dreze, 'the capability to the nourished depends crucially on other characteristics of a person that are influenced by such non-food factors as medical attention, health services, basic education, sanitary arrangements, provision of clean drinking water, eradication of infectious diseases and so on.' At the all India level there has been a continuous decline in per capita calorie consumption for rural areas during the last three decades. Similarly urban areas also record a decline in the calorie consumption over the years. Malnutrition is much more than simply calorie deficiency & in recent years the focus on food security has expanded to issues related to nutrition security, which includes not just calories but proteins, vitamins & other micronutrients. Also the decline in cereal consumption per capita has taken place over the years (argument of diversification of food basket being given) but this decline has important consequences for micronutrient deprivation as cereals are important sources of many nutrients.

Sharma and Meenakshi point out that inspite of evidence of diversification in the dietary basket of goods, there has been evidence of deficiency for most micronutrient intakes. Several challenges remain. Even today there are pockets where

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3 Ibid., p.429.
7 Ibid., p.32.
9 Ibid., p.120.
severe under-nutrition takes its toll. In the last five decades, the mortality rate has come down by 50%, fertility rate by 40%, undernutrition in children by 20% but there has been no change in the prevalence of under nutrition in pregnant women, low-birth weight, prevalence of anaemia & its adverse health consequences. The National Nutrition Monitoring Bureau (NNMB) reports provide data on the nutritional status of the general population and the NNMB data show that the incidence of undernutrition among children even though slowly declining was still alarmingly high during the late 1990s and their incidence is much higher than that of income poverty. About half of the children and slightly over a third of the adults were undernourished in 2000-2001. NNMB data show that 37.4% of adult males and 39.4% of adult females in 2000-2001 suffered from Chronic Energy Deficiency (CED) in eight sample states. The National Family Health Survey, NFHS-2 (1998) reveals that 47% of children are malnourished and 74% are anaemic, 36% of ever married women aged 15 to 48 years have CED, 50% of pregnant women suffer from iron deficiency. Estimates of undernourished show that 20% to 25% of the rural children are severely undernourished and another 30% to 39% are mild to moderately undernourished based on weight-for-age criterion. According to the height-for-age criteria 25% are severely and another 24% are mild to moderately malnourished.

Conservative estimate suggests about a fifth of Indians experience all four dimensions of food insecurity (Deficiency, Inaccessibility, poor utilization of food and disaster proneness). These are people whom analysts may choose to catalogue as suffering varyingly from chronic food insecurity, nutritional insecurity and transitory food insecurity. However the fact remains that they represent the unfilled belly of India. Malnutrition has several dimensions including protein energy malnutrition and deficiency of one or more micronutrients. Effective protein inadequacy appears to be quite large in many states. Those who consume diets deficient in protein or calorie or both are very high in some states. A prolonged intake of inadequate calories and

12 Ibid., p.41.
13 Ibid., pp.54-55.
14 Tackling Hunger: United Nations World Food Programme’s Effort to eliminate Food Insecurity in India (2002), World Food Programme, New Delhi, p.3.
protein would however lead to certain nutritional deficiency. Moreover micronutrient deficiency can lead to diseases like anaemia which affects an estimated 50% of the population. Also lack of Vitamins A, B & C and lack of calcium can lead to various kinds of deficiency diseases. As per the Food Insecurity Atlas of Rural India, micronutrients are not consumed in adequate quantities in many states and the lower income groups & those consuming less variety of foods suffer from micronutrient deficiencies.\textsuperscript{15}

M.H. Suryanarayana comments that although statistical estimates of poverty show a decline over time, but this is not reflected in the estimates of calorie intake, an important parameter of nutritional status which do not show a similar improvement.\textsuperscript{16} Damodar Tripathy points out that the head count ratio in energy deficiency of the poorest quartile group in all the states was found to be very high in 1999-2000.\textsuperscript{17} While the growth rate in the availability of foodgrain per capita was 1.20% per annum during 1980s, it came down to minus 0.28% per annum during the 90s and the poorest three deciles of the population in 1993-1994 consumed 11.76 kg of foodgrain per month against 14.77 kgs for the top three deciles.\textsuperscript{18} It has been seen that factors other than income poverty also influence malnutrition. Thus mere improvement in the economic status may not result in improvement in Nutritional status. It is important as Prema Ramachandran says 'to identify factors responsible for higher prevalence of under nutrition and rectify them.'\textsuperscript{19}

Meanwhile the Report of the Inter ministry task group on Comprehensive Medium Term Strategy for Food and Nutritional Security, government of India, April 2005 observes the following

- Severe malnutrition has decreased significantly but levels of child malnutrition are high.

\textsuperscript{15} Food Insecurity Atlas of Rural India, \textit{op.cit.}, pp.74-80.
• Undernutrition among preschool children has reduced from 77% in 1975-1979 to 47% in 1998-1999. Chronic malnutrition among preschool children as reflected by stunting and wasting is 45.5% and 15.5% respectively as per NFHS-2, 1998-1999.

• CED in adults since 1970s as assessed through Body Mass Index is suggestive of an improvement in the nutritional status of adults. CED in adult females have declined from 51.8% in 1975-1979 to 35.8% during 1998-1999 while CED in adult males have declined from 55.6% in 1975-1979 to 37% in 2000-2001.

• Although prevalence of Vitamin A deficiency has declined, it is still higher than the WHO cut off

• Nutritional anaemia due to iron and folic acid deficiency is widely prevalent in the country particularly among high risk groups comprising of pregnant women, infants, young children and adolescent girls. Nutritional deficiency disorders affect productivity of the person resulting in household food insecurity thus making a vicious cycle of poverty and malnutrition.20

The district level surveys have reiterated the need for decentralized district & sub district planning, implementation and monitoring of nutrition related intervention. Planning Commission in 2005 set up a Nutrition and Food Watch Committee to take stock of food security and nutrition outcomes across India.21 A National Nutrition Mission supervised by the National Nutrition Council headed by the Prime Minister has also been set up to achieve rapid reduction in macro & micro nutrient undernutrition through focused & comprehensive intervention aimed at improving the nutritional & health status of the individuals.

The Tenth Plan of the Government of India has set for itself goals that hope to reduce prevalence of anemia by 25% to 50%, eliminate vitamin A deficiency, reduce prevalence of Iodine Deficiency Disorders (IDD) to less than 10% by 2010, bring

down IMRs to 45 per 1000 live births by 2007 & Maternal Mortality Rate (MMR) to 2 per 1000 live births. Employment, Education, Health, Rural Development, Agriculture are some of the sectors that focus on the development needs of the country & which are expected to ultimately converge to make India ‘Hunger Free’ by 2007.  

For Nutritional upliftment of the population, one requires not only improved access to food for poor communities but a general awareness regarding the right choices as far as food goes through the process of education i.e. nutrition. It is specially required among women as they are the homemakers. As Anuradha Khati Rajivan says ‘Knowledge about food & non-food factors that impinge on nutrition status is a precondition to combating malnutrition.’ The incidence of chronic poverty is higher than that of very poor in both rural and urban areas but the former is lower than severe malnutrition. Income poverty reduction is relatively easy and elimination of multiple deprivation is rather difficult to achieve – for instance the incidence of child malnutrition is greater than income poverty and its pace of reduction is much slower. The head count ratio of nutritional based poverty shows a decline in 1999-2000 compared to 1993-1994. However the head count ratio of nutritional poverty was 38.8% in rural population and 27.5% in urban population in 1999-2000 (as against the official poverty ratios of 27.1% and 23.6% among rural and urban population respectively in the same period). The decline in the Nutritional poverty has been much lower than the official poverty between 1993-1994 and 1999-2000 as against a decline of approx 10% points in official poverty estimates, the decline in nutritional poverty has been approx 6% over the period of 1993-1994 and 1999-2000. Besides nutrition & balanced diet, the state of health of an individual is also important for food security.

- Health

From among the 10.8 million under 5 deaths per year in the world, 2.4 million (22.2%) are in India. Within India there are wide Inter state variations. NFHS-2 1998-

1999 data show that under 5 mortality per 1000 live births ranges from a minimum of 18.9 in Kerala to a maximum of 137.6 in Madhya Pradesh.\textsuperscript{26} Health indicators like the IMR, under 5 mortality rate and Maternal Mortality Rate are exceptionally high even today. The IMR in 2002 shows a marginal decline during the last 13 years. The under 5 mortality of 95 per 1000 live birth and a Maternal Mortality Rate of 408 per 100,000 are too high to be accepted.\textsuperscript{27} Health is a critical area where the role of the government needs to be increased. India’s public expenditure on health (Centre plus states) has been declining & is currently around 0.9% of GDP. It will need to be increased to around 2% of GDP by the end of the 11\textsuperscript{th} Plan.\textsuperscript{28}

The provision of Health and Family Welfare Services falls within the realm of concurrent responsibility of the Centre and the States. But the latter has a predominant role in the delivery of the services. However fiscal pressures at the state levels led to compression of expenditure by the state governments partly compensated by the increase in Central financing of the services particularly for some prioritized programmes implemented through Central Sector and Centrally sponsored schemes. In general over 85% of the public expenditure on medical and public health is incurred by the state government. There has been a decline in the social sector expenditure as a percentage of both Gross State Domestic Product and total expenditure in a majority of states in 1990s. The combined expenditure of states on medical and public health, sanitation, water supply and family welfare declined from 8.4% of the total expenditure in 1990-1991 to 7.2% in 2001-2002. As a proportion of GSDP the decline was from 1.5% to 1.3% during the period. In the context of deteriorating finances of the states, the decline in health expenditure is a matter of concern.\textsuperscript{29} Ravi Duggal points out that the synergistic impact of the fiscal crisis and health sector reforms (commercialization of healthcare, privatization or outsourcing of a range of services within the health sector, promotion of public-private partnerships via franchising, social marketing, contracting outsources etc) has adversely affected

\textsuperscript{26} Mishra, Srijit (2005). “Public Health scenario in India” in Parikh, Kirit and Radhakrishna, R, \textit{op.cit.}, p.64.
\textsuperscript{28} The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), \textit{op.cit.} p.10.
\textsuperscript{29} Financing and Delivery of Healthcare Services, Background Papers of the National Commission on Macroeconomics and Health, \textit{op.cit.} p.297.
public health systems in most states. NCMP envisages raising public spending on health with focus on primary health care. Special attention will be paid to poorer sections in the matter of health care. The basic objective of achieving an acceptable standard of good health amongst the general population of the country as set out in the National Health Policy (2002) and reiterated in the Common Minimum Programme continues to be the focus.

The Plan Outlay for the Central Health Sector Schemes in 2005-2006 is Rs.2908 crore. The NCMP envisages an increase in public spending on health to 2-3% of GDP by increasing contributions from the Central & State governments. The National Rural Health Mission launched in 2005 is a new major initiative seeking to restructure the health delivery system in the rural areas by integrating the different disease control programmes and creating a single district health committee which would work on a pooled budget for central funds and coordinate these different activities while also seeking active involvement of PRIs. The State Health System Development Projects are under implementation in the states of Punjab, West Bengal, Orissa, Maharashtra, UP and Uttarakhand with World Bank assistance. The focus is on strengthening the health care delivery system at secondary level and integrating it with the primary health care delivery system for improving healthcare services.

The National Rural Health Mission is going to cover the whole country with special focus on 18 states which have either weak socio-demographic indicators and/or primary health infrastructure. The allocation for National Rural Health Mission (2005-2012) has been increased from Rs.6553 crore to Rs.8207 crore for the next year. The National Rural Health Mission includes the second phase of Reproductive and Child Health (RCH) Programme. The RCH Programme Phase II has been launched with effect from April 1, 2005 for a period of five years. It intends to improve the performance of the family welfare programme in reducing maternal &

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33 The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), op.cit., p.10.
infant morbidity & mortality etc. Reoriented & revitalized to give a pro-outcome & pro-poor focus, the programme is envisaged as an umbrella programme by integrating all the related & interlinked stand alone schemes into a single composite programme. With a sector-wide approach to family welfare, the programme adopts a decentralized process by inviting each state/UT to prepare its own programme implementation plan based upon a situational analysis of ground realities & requirements. Janani Suraksha Yojana (JSY) was also launched on April 12, 2005 to reduce maternal & infant mortality. The Finance Minister in his Budget speech also pointed out that in 2006-2007, more than 200,000 Associated Social Health Activists (ASHA) will be fully functional & over 1000 block level community health centers will provide round the clock services. For 2006-2007 the allocation for health and family welfare has been enhanced by 22.0% to Rs.12,546 crore. A redesigned Universal Health Insurance Scheme was launched on 20th September 2004. As on 31st January 2005, a total of 34,069 families covering 96,275 persons were covered with a premium of Rs. 128.65 lacs. Progress is being monitored.

The Long-term outcome of food security is ultimately reflected in an improvement in the health indicators like life expectancy of the population, IMR etc.

Life Expectancy – Increasing life expectancy is a pointer to the improving food security of India. However many states have low life expectancy. Life expectancy is not an outcome of one time consumption but is a long term nutritional outcome. Hence it depends upon a large number of other factors such as level of literacy, knowledge of nutrition & health care of the past generation. Life expectancy at birth (2001-2006) for males in India is 63.9 and for females it is at 66.9.

IMR – Infant Mortality Rate is another important health indicator for food security. The lower the IMR rate, the better it is. The problem of nutrition starts with the malnutrition of pregnant women and is manifested in low birth-weight babies and

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38 The Economic Times, (March 1, 2006), art.cit.
40 Food Insecurity Atlas of Rural India, op.cit., p.81.
infant deaths. IMR also results from a lack of immunization, medical help, safe drinking water etc. and is negatively related to female literacy. In 2002 for males it was 57 and for females it was 64. The overall figure stands at 60 (2003).


The Tenth Plan targets a reduction in Infant Mortality rate (IMR) to 45 per 1000 by 2007 & 28 per 1000 by 2012, reduction in Maternal Mortality Ratio (MMR) to 2 per 1000 live births by 2007 and 1 per 1000 live births by 2012 & a reduction in decadal growth rate of the population between 2001-2011 to 16.2%. The Approach Paper to the XI Five Year Plan points out that one can reach the Millennium Development Goals for IMR & MMR by the end of the 11th Plan. To improve the primary healthcare system, the 11th Plan will initially lay emphasis on integrated district health plans & later on block specific health plans. Those plans will ensure involvement of all health related sectors & emphasize partnership with NGOs. Also in the health sector one needs to increase total expenditure by atleast 1 percentage point of the GDP by the end of the 11th Plan.

- Water Supply and Sanitary Programme

One of the important threats to public health is the lack of safe water supply and sanitation facilities. Moreover there has been a deterioration in the water quality. All drinking water schemes have now been brought under the Rajiv Gandhi National Drinking Water Mission. The Tenth Plan envisages provision of safe drinking water to all rural habitations. A major programme – Accelerated Rural Water Supply Programme (ARWSP) is being implemented since 1972-1973 to achieve this objective. With an investment of over Rs.50,000 crore (upto March 31, 2005),

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42 Food Insecurity Atlas of Rural India, op.cit., p.86.
46 Ibid., p.66.
considerable success has been achieved in meeting the drinking water needs of the rural population. As on April 1, 2005, 96.1% of rural habitations were fully covered & 3.6% were partially covered, leaving 0.3% not covered with drinking water facilities. The diversity in the statewise coverage of habitations under Rural Water Supply needs to be addressed through accelerated improvement in the lagging states. ARWSP, currently being implemented through the Rajiv Gandhi National Drinking Water Mission, aims at coverage of all rural habitations with population of 100 and above, specially the unreached ones, ensure sustainability of the systems & sources, tackle the problem of water quality and institutionalize water quality monitoring & surveillance through a catchment area approach. The Central allocation of funds for ARWSP was stepped up from Rs.2900 crore in 2004-2005 to Rs.4050 crore in 2005-2006.\textsuperscript{47}

Against the principal target of 56,270 habitations, 47,546 habitations have been covered under the Accelerated Rural Water Supply Programme (ARWSP). Target for the current year for drinking water supply will be completed and 56,270 habitations and 140,000 schools will be covered. The government will provide non-recurring assistance of Rs.213 crore in 2006-2007 for setting up district level water testing laboratories & field level water testing kits. It has been proposed in the Budget 2006-2007 to increase the provision for the Rajiv Gandhi National Drinking Water Mission from Rs.3645 crore to Rs. 4680 crore next year.\textsuperscript{48}

Drinking water is one of the six components of Bharat Nirman and under Bharat Nirman, it has been envisaged to cover 55,067 uncovered habitations of Comprehensive Action Plan 99 & also to address the problem of slippage & water quality. Adequate Operation & Maintenance (O&M) is critical for sustaining water supply systems already created. People's involvement is envisaged not only to enhance the economic viability of O&M but also for better upkeep & enhanced life span of the system created. Under the Accelerated Urban Water Supply Programme which was launched in 1994, 1244 projects with an estimated cost of Rs.1822 crore had been approved & Rs.760 crore released (upto July 26, 2005). This scheme is to be

\textsuperscript{47} Economic Survey, 2005-06, \textit{op.cit.}, pp 219-220.

\textsuperscript{48} The Economic Times, (March 1, 2006), \textit{art.cit.}.
merged with the newly launched ‘National Urban Renewal Mission (NURM)’. The Approach Paper to the 11th Plan points out that out of the 14.22 lakh habitations in the country, about 2.8 lakh habitations have slipped back from either fully covered to partially covered category. Another 2.17 lakh habitations have problems with the quality of water, with about 60,000 habitations facing the serious problems of salinity or arsenic & fluoride contamination. Under Bharat Nirman, it is also proposed to tackle the habitations that have problems with water quality. Also the Swajaldhara had a limited provision in the 10th Plan of 20% of allocation of ARWSP & it will need to be upscaled so that more & more schemes are community managed.

As per the Sustainability of the Food Security Atlas in India, there is an estimated 15% of the urban households who do not get sufficient drinking water throughout the year. The total percent access to safe drinking water in households has increased over the years from 38.2% in 1981 to 62.3% in 1991 to 77.9% in 2001. Similarly it has increased for both rural and urban areas i.e. from 26.5% (1981) to 55.5% (1991) to 73.2% in 2001 for rural areas & from 75.1% (1981) to 81.4% in 1991 to 90% in 2001 in urban areas. Rural sanitation coverage was only 1% in the 1980s. With the launch of the Central Rural Sanitation Programme in 1986, the coverage improved to 4% in 1988 & then to 22% in 2001. The programme was modified as Total Sanitation Campaign in 1999. Linkage of rural sanitation with the rural health mission has also now been recognized as a necessity & the required steps are being taken.

Sanitation however remains critically deficient. Only about 30% of the rural households have access to safe sanitation facilities. The Budget 2006-2007 has proposed to increase the provision for the Rural Sanitation Campaign from Rs.630 crore to Rs.720 crore in 2006-2007. Under Total Sanitation Campaign (TSC), projects in 540 districts covering 30 states/UT have so far been sanctioned with an approved outlay of Rs.5694.44 crore. The Total Sanitation Campaign envisages

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54 The Economic Times, (March 1, 2006), art.cit.
synergized interaction between government, people & active NGOs. It also incorporates intensive informative, education & communication (IEC) campaigns, provisions of an alternative delivery system & more flexible, demand oriented construction norms.55

4.2 Rural Development and Decentralised Institutions

Along with Food Absorption, Rural Development is also important. One needs to place food security in the framework / context of rural development and rural oriented economic growth. Sayed Noman Ahmad comments that rural economic transformation / development covers development of the rural areas in such a way that there is an improvement in the economic life of the rural masses whereby rural poverty is reduced, income and employment are increased so that inequalities in income distribution are reduced.56 Employment in turn will give purchasing power in the hands of those who need it to buy food thus rural development in turn is connected to food security. Rural development will help in providing secure livelihood which is crucial for achieving a food secure India. A developing country like India with agriculture as its backbone has to necessarily include rural development as a part of its strategy of overall economic development of the country.

Noman Ahmad further comments that the concept of rural development is a very wide concept since it covers almost every aspect of rural life and is a multi dimensional, multi-disciplinary approach. Rural development includes not only strategies and policies for the development of rural areas and activities like agriculture, forestry, fishery, rural crafts and industries but also development of socio-economic infrastructure. Rural Development needs to be assessed not only on an economic yardstick but also by seeing whether it benefits the poorest sections of the society and the ecological constraints. For the assessment of success or otherwise of a rural development programme, merely an economic yardstick should not be applied,

but human consideration should also be used such as the benefits accruing to poorest sections of the society and the ecological considerations.\(^{57}\)

There are two major objectives of rural development programmes, firstly to achieve accelerated economic growth through larger participation of rural population and secondly to distribute the benefits in the most equitable manner.\(^{58}\) As against a budgetary allocation of Rs. 9760 crore during 2000-01, the allocations provided in the year 2001-02 were Rs. 12,265 crore. This was further enhanced to Rs. 13,670 crore for the year 2002-03.\(^{59}\) Expenditure of the Central Government on social services including rural development increased from Rs.18,240 crore in 1995-1996 to Rs.70,910 crore in 2005-2006 (BE). Expenditure on social sectors as a proportion of total expenditure after decreasing from 22.3% in 2000-2001 to 19.7% in 2003-2004, increased to 20.7% in 2004-2005 & further to 20.9% in 2005-2006 (BE). Expenditure on education as a proportion of total expenditure has increased from 9.7% in 2003-2004 to 10.1% in 2005-2006 (BE). Similarly in respect of the health sector, the share in total expenditure increased from 4.4% to 4.9% between 2003-2004 & 2005-2006 (BE). Expenditure on the social sector as a proportion of GDP has also gone up from 5.68% in 2003-2004 to 5.81% in 2005-2006 (BE).\(^{60}\) On the eight flagship programmes (Sarva Shiksha Abhiyan, Mid-day meal Scheme, Rajiv Gandhi Drinking Water Mission, Total Sanitation Campaign, National Rural Health Mission, Integrated Child Development Services, National Rural Employment Guarantee Scheme & Jawaharlal Nehru National Urban Renewal Mission), the total allocation in 2005-2006 was Rs.34,927 crore. In the ensuing fiscal year, the total allocation will be Rs.50,015 crore, representing an additional Rs.15,088 Crore or 43.2%.\(^{61}\) However there are also evidence and debate of a decline in the state’s spending on rural development.

The Mid Term Appraisal of the 10th Plan has pointed out that the total share of agriculture, irrigation and rural development stood reduced from 20.1% (9th Plan) to

\(^{57}\) Ibid., pp.12-13. 
\(^{58}\) Ibid., pp.13-14. 
\(^{59}\) India 2003-A Reference Annual, compiled and edited by Research, Reference and Training Division, Published by Director, Publication Division, Ministry of Information and Broadcasting Government of India, New Delhi, 2003, p. 456. 
\(^{61}\) The Economic Times, (March 1, 2006), art. cit.
18.7% in the 10th Plan. Utsa Patnaik comments that due to drastic reductions in the state's spending on rural development, there has been loss of purchasing power and this is reflected in a steep fall in per-head foodgrains absorption which is now one of the lowest in the world at around 154 kg, for all India, 20 kg lower than a mere six years ago and it is lower still in village India where caloric intake per head continues to decline. Patnaik says that the union Finance Minister P. Chidamabaram has adhered to the arbitrary spending cuts spelt out in the Fiscal Responsibility and Budgetary Management Act, and has not addressed rising unemployment and hunger. She says the contrast could not be more marked with the recent actions of the government of France and Germany which have relaxed fiscal austerity norms to deal with much milder unemployment problems than we face today in India.

Meanwhile the role and importance of community organizations cannot be ruled out. They play a very important role as involving them brings about a certain amount of responsibility in decision making and implementation, accountability and it can be a reason for improving quality and cost effectiveness of programmes. Yoginder K Alagh argues that 'community based institutions with a sharp focus will have to be central to the next phase of rural development policies in India.' Pranab Bardhan also points out 'peer monitoring, the enforcement of local social sanctions and common set of norms can provide the basis of social insurance schemes and group borrowing and decentralization with local accountability may also help in the management of common property resources.'

- Role of Panchayati Raj Institutions

Panchayats can and should thus play a very crucial role in rural development. Three basic rationales that can be identified for the creation of PRIs are as follows:

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63 Patnaik, Utsa (2005), "It is time for Kumbhakarna to wakeup", The Hindu, Delhi, August 5.
65 Bardhan, Pranab (2003), Poverty, Agrarian Structure and Political Economy in India. New Delhi, Oxford, p. 16.
• To make the community development programmes relevant to the needs and problems of the people.
• To transfer decision-making authority to villages regarding developmental work
• Value of participatory democracy. The PRIs have created a political awakening among the rural masses and have begun to assert and actively involve themselves in the management of the village plans. But the role and performance of PRIs have certain shortcomings like lack of finance, lack of cooperation from government departments, halfhearted policies and defective structures for implementation of development programmes. Some critics have even criticized them by saying that they have hindered rural development (various functionaries - political and administrative were more interested in political power and distribution of development patronage). 66 There is need for locally elected organizations to supervise, coordinate and arrange for feedback and it is here that panchayati raj as a system can provide the answer. PRIs have to be defended on the grounds of rural institutional building and local democracy. 67 A massive allocation of the funds – to the tune of Rs.3825.73 crore – is proposed for the Panchayati Raj Ministry. 68

- Role of Co-operatives

Along with PRIs, cooperatives are also important for rural development and these have been organized at all levels in diverse areas such as credit, marketing, distribution, dairy, industry, sugar, labour, housing, poultry, fishing etc. Some of them have lent a helping hand significantly in the success of Green Revolution, White Revolution, Sugar Revolution, consumer protection and a chain of agro-based processing units like sugar complexes, fertilizer plants etc. Also marketing cooperatives constitute the nucleus around which most of other cooperatives evolve. They provide not only an alternative to traditional market mechanism but also enable the producers to market the produce to their best advantage. These organizations integrate the basic structure of co-operative credit. Network of cooperative processing

67 Sharma, art.cit., p. 23
68 “Rural schemes to get Rs.14,300 cr” (2006), The Hindu, Delhi, March 1.
built up as adjunct to marketing cooperatives ensures economic benefits both to growers and the consumers. Though 45% of the rural families have been brought within the cooperative fold, the weakest sections of the rural society are still not adequately represented on the membership roll. Cooperative banks have also been financing agricultural marketing and processing activities which are important for the development of agricultural and rural areas and the rate of interest charged by credit cooperatives have always been the lowest in the markets. Cooperatives have developed the ‘Crop Loan System’ under which loans are given on the basis of crops to be grown and the acreage under the crop.

Prime Minister Manmohan Singh announced on November 16, 2004, the setting up of a task force which would recommend an implementable action plan for reviving rural cooperative banking institutions. The PM also said that the government was seriously considering possible constitutional amendments to ensure democratic, autonomous and professional functioning of cooperatives. The constitutional amendment will ensure that three key words for the empowerment of cooperatives, voluntary, democratic and autonomous, three rights – right to election, right to autonomous management and right to independent professional audit are incorporated in the constitution. The cooperatives and Self-Help groups can forge linkages in order to see that the poor are effectively served and empowered. The self-Help groups are considered as informal cooperatives as they possess distinct features of grassroots level cooperatives and these have emerged as alternative development strategy to promote the common interest of the weaker sections of the society.

The SHG bank linkages programme has emerged as the major microfinance programme in the country. While 563 districts in all the states/union territories have been covered under this programme, 560 banks, including 48 commercial banks, 196 regional rural banks and 316 co-operative banks along with 3024 NGOs are now

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associated with this programme. The number of SHGs linked to the bank aggregated 1,276,035 as on December 30, 2004. Cumulative disbursement of bank loan to these SHGs stood at Rs.5038 crores as on the same date. 73

By December 2005, 18.30 Lakh SHGs had been provided credit aggregating Rs.8319 crore by the banking system. The focus under the SHG – bank linkage programme is largely on those rural poor who have no sustained access to the formal banking system. The target group, therefore broadly comprises small & marginal farmers, agricultural & non-agricultural labourers, artisans and crafts men & other poor engaged in small businesses. 74 The 5,39,365 new Self Help Groups (SHGs) credit linked during 2004-2005 represented an increase of 49% over the previous year. As on March 31, 2005, the total of 16.18 lakh SHGs credit – linked by banks covered an estimated 242 lakh poor families with an average loan disbursement per family of Rs.3044. A highlight of the programme was that about 90% of the groups linked with banks were exclusively women groups. As against the target of linking 3 lakh SHGs for the whole year 2005-2006, 2.11 lakh new SHGs were linked by December 2005. 75

As per the recommendations of the Task Force on Reviving the Cooperative Credit Structure, Government has finalized actions with regard to short term cooperative credit structure. Government’s share of the total financial package has been increased from 53% to 68% on an aggregate basis. 76

The Budget 2006-2007 has also mentioned certain initiatives in respect of micro – finance. A Bill to provide a formal statutory framework for the promotion, development & regulation of the micro finance sector will be introduced & it has been proposed to ask the banking sector to credit link another 385,000 SHGs in 2006-2007. Moreover it has been proposed to appoint a Committee on Financial Inclusion. The Committee will be asked to identify the reasons for exclusion, and suggest a plan for

75 Ibid.,pp.5-6.
76 Ibid.,p 165.
designing & delivering credit to every household that seeks credit from lending institutions.\textsuperscript{77}

M.S. Swaminathan feels that the Cooperatives have done well and that the main work of NGOs and SHGs is that of capacity building, of linking produce with the markets.\textsuperscript{78}

\textbf{- Role of Non-Governmental Organisations}

NGOs are found operating in what is termed as the ‘third or voluntary sector’, (as distinguished from the public [state] and private [market] sectors). They combine the dual strategy of poverty alleviation with development with grassroots approach.\textsuperscript{79}

They do perform a number of roles / functions.

- The voluntary organizations substantiate the government’s efforts to provide for social welfare through rural development programmes.
- They also influence local administration.
- They operate over a wide range of activities such as the government’s anti-poverty programmes, training of rural youth, rural housing, wasteland management, health-care, family – welfare etc.
- NGOs can contribute towards rural development by increasing awareness among people of their needs and arising / awakening in them the zeal for protecting their rights.
- They can also act as voluntary check on rural government and local bureaucracy.
- NGOs by identifying the genuine target groups can make the government delivery system more effective.\textsuperscript{80}

\textsuperscript{77} The Economic Times, (March 1, 2006), \textit{art.cit.}
\textsuperscript{78} As per interview with Prof. M.S.Swaminathan, Chairman, National Commission on Farmers, India International Centre, New Delhi, July 27, 2005.
The NGOs know the local conditions which can be helpful in designing and implementing programmes. Also the government depends on the NGOs (capability of identifying the poor) for targeted food distribution. Moreover as Arjun Sengupta points out that 'the leakages in the employment generation schemes or public works programme or special schemes of mid-day meals for children and nourishment of lactating mothers, or deprived women members of the families can be effectively plugged only with the help of the NGOs.' S1 Further the success of the PRIs largely depends on the active involvement of NGOs at the grassroots level as NGOs are an effective instrument of civil society particularly at the gram sabha level. Accordingly NGOs may play effective role of an educator, trainer, promoter and facilitator at the panchayat level. They also play a vital role in facilitating decentralized development. Apart from mobilizing and allocating local resources, these organizations, contribute in providing services, which are vital to local projects viz social welfare, infrastructure, agricultural inputs etc. They may also help in increasing the accessibility of services to these target groups and assisting government organizations in ensuring the timely availability of inputs. S2

Under the Ministry of Rural Areas and Employment, the Council for Advancement of People’s Action and Rural Technology (CAPART) was set up in 1986 to promote voluntary action and propagate appropriate rural technologies for the benefit of the rural masses. It provides assistance to NGOs under different programmes such as the Indira Awas Yojana, watershed management, social forestry, link roads in hilly areas, promotion of voluntary action in rural development etc. Assistance is also provided to NGOs involved in the organization of beneficiaries of anti-poverty programme, central rural sanitation programme, drinking water under the technology mission on accelerated rural water supply programme and advancement of rural supply technology. During 1995-96 to 97-98 many NGOs were helped by CAPART and an amount of Rs. 171.75 crores has been forwarded by CAPART in

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these three years to NGOs. Maximum assistance was given in Andhra Pradesh followed by West Bengal, Tamil Nadu and Karnataka. 83

There is a general complaint from the NGOs that they face paucity of funds and they therefore have to depend upon the government as well as funding agencies, internal and external and compromise their innovativeness, independence and flexibility in the bargain. Verghese is however of the opinion that major problem is not that of funds but the problem is that of ideas, people and organizations. Quite a number of NGOs lack the technical expertise, proper planning and coordination. Some of them suffer from the lack of second line of leadership. 84 C.P.Chandrasekhar feels that we tend to overestimate the functioning and efficiency of NGOs. However he comments that there are some genuine organizations, which are involved, in democratic politics, in question of larger democracy. 85

The relation of NGOs vis-à-vis the state raises some crucial questions with regard to their role in the expanding global capitalist economy. As domestic and international interests appear to have greater role in regulating the Indian state, the NGOs are acquiring a more explicit quasi-state nature in that their assistance is being sought by international bodies (with the consent of the state) in implementing social and economic policy. Sangeeta Kamat comments that it may mean that their relative autonomy is greatly circumscribed by their increased dependence on the interests of international capital and the state. 86 The Approach Paper to the 11th Plan encourages ‘partnerships’ between civil society organizations & PRIs and also calls for associating civil society organizations in the implementation and evaluation of Plan programmes. The CPI(M) states that there is a need for monitoring the role of these civil society organizations themselves since these organizations are themselves not in

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84 Ahmad, op.cit., p. 38
85 As per interview with Prof. C.P Chandrasekhar. Centre for Economic Studies and Planning, JNU, New Delhi, May 2005.
any way accountable to the people (although they have a monitoring role over the
work of the elected bodies of the state). 87

There are various aspects of rural development which can be improved
through programmes which would help in improving the overall food security
position. The most important programmes being the poverty alleviation and
employment generation programmes.

4.3. Programmes Enhancing Food Security
There are different categories of programmes enhancing various aspects of
food security
a) Poverty Alleviation and Employment Generating Programmes
b) Direct Food Based Programmes
c) Programmes for Rural Infrastructure
d) Programmes for Development of Natural Resources

- Poverty Alleviation and Employment Generating Programmes
  Gerry Rodger comments that there are four main dimensions of decent work.
  - work and employment itself
  - rights at work
  - security
  - and representation & dialogue.
Each of these four dimensions contribute jointly to societal goals such as social
integration & poverty eradication. 88 Achieving decent work calls for a coherent set
of policies for employment promotion & production, for security & income support
for the promotion of equality in opportunity and access, for rights at work. It involves

87 "CPI(M)'s Comments on Planning Commission's Approach Paper to the XI Plan" (2006),
http://cpim.org/upa/2006_jul_plan%20approach%20paper.htm

88 Rodgers, Gerry, 'Decent Work as a Goal for the Global Economy'.
not only public action but also representative institutions through which social actors can express their views & participate in decisions.\textsuperscript{89}

**National Rural Employment Guarantee Scheme (NREG)**

The National Rural Employment Guarantee Act was notified on September 7, 2005 & the scheme was launched on February 2, 2006. The on-going programmes of Sampoorna Grameen Rozgar Yojana (SGRY) & National Food for Work Programme will be subsumed within the NREGS in the 200 districts identified in the initial stage.\textsuperscript{90} Launched in 150 backward districts in November 2004, the National Food for Work Programme had aimed at providing 100 days of employment for at least one able bodied person from each household in the country at minimum wages. In 2004-2005, allocation of Rs.2020 crore & 20 Lakh tonnes of foodgrains generated 7.85 crore person days of employment. In 2005-2006, of the allocation of Rs.4500 crores & 15 lakh tonnes of foodgrains (Revised), Rs.2219 crore & 11.58 lakh metric tonnes of foodgrains had been released up to January 27, 2006. About 17.03 lakh person days were generated up to December 2005.\textsuperscript{91}

The Sampoorna Grameen Rozgar Yojana (SGRY), on the other hand, was a wage employment scheme launched in September 2001 wherein wages were paid partly in the form of foodgrains and partly in cash. Minimum wages fixed by the states were paid under the scheme. The minimum amount of foodgrains to be given as part of wages were 5 kg per manday and a minimum of 25% of the wages were to be paid in cash. The programme is implemented as a Centrally Sponsored Scheme on cost sharing basis between the Centre and the states in the ratio of 75:25 of the cash component of the programme. Since 2004-05 the programme is being implemented as an integrated scheme by all the three tiers of the PRIs and the funds are shared by the district, intermediate and village panchayats in the ratio 20:30:50. Foodgrains under the programme are provided to the states/Union territories free of cost. Each zilla


\textsuperscript{90} Economic Survey, 2005-2006, op.cit., p.204.

\textsuperscript{91} Ibid., p.206.
parishad / DRDA, intermediate level and village panchayat prepares an annual action plan to include the works to be undertaken under the scheme.\textsuperscript{92}

In 2004-2005, 82.23 crore person days were generated with the Centre releasing Rs.4496 crore as cash component & about 50 lakh tonnes of foodgrains to the States/UTs. Besides, under the special component of the SGRY, with the States/UTs meeting the cash components, Centre released 26 lakh tonnes of foodgrains to the 13 calamity affected states. In 2005-2006 upto November 2005, the number of person days generated under SGRY was 48.75 crore while the Centre's contributions in terms of the cash & foodgrains components upto January 2006 were Rs.4651 crore & 35 lakh tonnes respectively. Under the special component, about 11.65 lakh tonnes of foodgrains have been released to the 11 calamity-hit states in the current year.\textsuperscript{93} Although the programme did succeed in creating community assets in rural areas (mainly construction), creating enthusiasm amongst villagers and empowerment of panchayats, it also had drawbacks

- Micro-level evaluation studies reveal that in many cases wage payments were less than the minimum wages.
- Non availability of foodgrains at godowns of the FCI, inadequate number of godowns, high transport costs, cumbersome processes and black marketing were the factors behind foodgrains not being given in majority of the cases.
- On an average between 9 and 30 days of employment per beneficiary was generated under the programme. In some cases contractors were involved and the use of machinery was also reported though the guidelines prohibit this.
- The activities were taken up in an adhoc-manner and were not selected as part of a long term plan for development of the region.\textsuperscript{94}

It was being increasingly felt that there was a need for a more robust programme for providing employment and livelihood. Under the new NREG scheme all the districts in the country will be covered under the scheme within five years. Implementation of the Act calls for the formulation of NREGS by the state

\textsuperscript{92} The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), \textit{op.cit.}, pp.241-242.
\textsuperscript{93} Economic Survey, 2005-06, \textit{op.cit.},p.206.
\textsuperscript{94} The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), \textit{op.cit.}, p.243.
governments. Section 4 of the Act provides that within six months from the date of commencement of the Act, every state government shall, by notification, make a scheme for providing not less than 100 days of guaranteed employment in a financial year to every household in the rural areas covered under the scheme & whose adult members volunteer to do unskilled manual work subject to conditions laid down in the Act. The objective of the Act is to enhance the livelihood security of the people in the rural areas by generating wage employment through works that develop the infrastructure base of that area. The choice of work suggested addresses the causes of chronic poverty like drought, deforestation & soil erosion.95

A legal guarantee gives a legal right to the poor to demand work and the demand for work and not the supply of work determines the size of the programme. The guarantee will also result in reducing delay in starting works and in wage payments as such delay can be challenged in a court of law. It will also reduce distress migration as workers are assured of the availability of work during the lean season which in turn will improve the access of workers to education, health and other welfare facilities. And also the guarantee of work can ensure asset generation particularly ecological regeneration and infrastructure development in backward regions, both of which can promote economic growth.96

The guarantee provided under the act include

- Guarantee is given for casual and manual work on public works
- Work would be provided within 15 days of demanding it
- Work would be located within 5 km distance
- If work is not provided to anybody within the given time he/she will be paid a daily unemployment allowance which will be atleast one third of the minimum wages. Also if work is provided outside the limit of 5 km, the worker will get an allowance for travelling and living there.97

The employment guarantee scheme is modelled closely on the EGS (Employment Guarantee Scheme) of Maharashtra except that the proposed national

95 Economic Survey, 2005-06, op.cit.,p.204.
97 Ibid., p. 5119.
one is to be vested with panchayats. Mihir Shah comments that ‘the NREGA (National Rural Employment guarantee Act) represents a historic opportunity for socioeconomic transformation in rural India.’\(^{98}\) The commitment by the central government is indeed new as it promises to make this a legal right of all citizens and also because the responsibility of funding the scheme rests with the central government rather than with the states.\(^{99}\) Abhijit Sen points out that earlier, schemes were there but nothing was legal but now it is a law.\(^{100}\)

There were major amendments which were recommended earlier in this act by the Standing Committee of the Parliament which was considering the bill. Kamal Mitra Chenoy argued that there were major amendments by the standing committee – (1) recommended act be made universal i.e. cover all rural households. It should not be limited to poor or BPL household only. (2) suggested extension from 150 districts to rest of the country (400 odd districts) within time bound period.(3) Also suggested that inclusion and later extension should be guaranteed by law. Area included could not be excluded later (4) muster-roll should be made available in panchayat office with periodic report of work done. A number of experts and groups testified before the standing committee including Kamal Mitra Chenoy, Prabhat Patnaik and Jean Dreze\(^{101}\)

Interestingly National Food for Work Programme was criticized as
a) Muster rolls were virtually impossible to obtain. There was lack of transparency of muster rolls.

b) Failure to pay minimum wages. The programme could work—but only if basic safeguards were in place, starting with strong provisions for transparency and accountability.\(^{102}\)

c) There was delay in allocations and the consequent non-utilization of funds resulted in delay of the entire project.


\(^{100}\) As per interview with Prof. Abhijit Sen, Planning Commission, New Delhi, July 13, 2005.

\(^{101}\) As per interview with Prof. Kamal Mitra Chenoy, Group of Comparative Politics and Political Theory, JNU, New Delhi, 19\(^{th}\) July 2005.

d) It was highly centralized and the people's participation in project planning and implementation had been ignored. The guidelines contained no provision to give workers the opportunity to register for work on a project. Nor was it compulsory for the administration to inform the population of the work planned. Since they had no access to the information, according to Brinda Karat it was a form of denial of the right to work.103

The NREG would aim to solve these problems. There has been no allocation for the National Food for Work Programme in the current year as the scheme has been merged with the NREG scheme.

Many renowned social scientists gave their views on the Act. Jayati Ghosh and G.S. Bhalla both agree with the fact that anything is better than nothing. Jayati Ghosh argues that any public intervention that increases income will be beneficial104. G.S. Bhalla pointed out that the limitation of 100 days was bad as people may come for 50 or for 200 days depending on when they needed. Moreover the provision of states putting in resources could be again problematic as they were themselves bankrupt.105 Utsa Patnaik commented that 'there is already a Sub-Saharan Africa within India - half of our rural population or over 350 million people are below the average food energy intake of Sub-Saharan countries and rural India is crying for work and food.'106 While debates were going on over the provisions of the bill, the need and consciousness for an employment guarantee scheme was being generated within civil society too. Mihir Shah points out that while the standing committee deliberated the bill, the voice of the forgotten people living in remote hinterlands echoed during the Rozgar Adhikar Yatra that criss-crossed ten states in May-June 2005. The most important suggestion that the committee made was that employment guarantee must not be restricted to those below the official poverty line (BPL) and it favoured a universal self-targeting employment guarantee.107

103 Karat, Brinda (2005), "Issues in the Food for Work Programme", The Hindu, Delhi, June 3.
104 As per interview with professor Jayati Ghosh, Centre for Economic Studies and Planning, JNU, New Delhi, May 2005.
105 As per interview with Prof. G.S.Bhalla, Centre for Study of Regional Development, JNU, New Delhi, May 2005.
107 Shah, Mihir (2005), "Employment Guarantee MPs lead the way", The Hindu, Delhi, August 10.
The role of PRIs as an instrument is also very crucial here. Without the mobilization of the grassroot organizations and people in the villages, the full socio-economic impact of the act cannot be realized. Mihar Shah comments that at least 50% of the projects in terms of value are to be implemented through the gram panchayats. Adult members of every rural household who are willing to do casual manual work at the statutory minimum wage will apply to the gram panchayat for registration. The gram panchayat will register the household after making necessary enquiries and issue a job card containing details of its adult members along with their photographs. The registration will be for a period of not less than five years and may be renewed from time to time. The gram panchayat is bound to accept valid applications and group applications may also be submitted. Employment will be provided within a radius of 5 km and even if work is provided beyond 5 km, it will be provided within the block and the labourers paid 10% of the daily minimum wages extra, to meet additional transportation and living expenses. Shah further states that what a massive employment programme will do is to raise offtake of grain in two ways – directly when wages are paid in grain and indirectly by putting incomes in the hands of the poor. This will enable them to buy the PDS grain, which they are currently too poor to afford. The act also forbids the use of contractors and labour displacing machines. At least 60% of the expenditure under any project has to be on wages. 108

It has however been argued by some specially the pro-market liberalisers that this scheme will create a fiscal crisis and it is unfortunate that even in the committee’s report the section on ‘Financial Implication’ remains as Shah says the weakest part. 109 Fiscal experts within the government are arguing that the fiscal implications of the universal coverage would be huge. It would cost as much as Rs. 1.5 lakh crore a year more than three times the Rs. 40,000 crore that the earlier plan would have cost. However, the Group of Ministers (GOM) seeks to retain the provision under which the state government would be required to pitch in 10% of the cost. 110 Utsa Patnaik points out that any argument that may be put forward that the resources are not there

108 Shah, art.cit., pp.5289-5290
110 Dash, Priya Ranjan and Mago, Chandrika (2005), “Rural jobs: Govt to splurge Rs.1.5 lakh cr”, The Times of India, New Delhi, August 6.
is simply untrue. She feels that to meet the overall 10th Plan spending target, during each of the remaining years, fiscal 2005-06 and 2006-07, at least Rs. 100,000 crore have to be spent. On this up to Rs. 30,000 crore should be on the NREG and the remainder on the urgent development requirements of agriculture, rural development, irrigation, and village industry.\footnote{Patnaik, Utsa, (August 5, 2005). \textit{art.cit.}}

Even if such employment generation yielded no other positive result, the fact is that increased wage incomes in rural areas would generate more demand for rural goods and services and thus generate multiplier effects. This would have large beneficial implications for material conditions and even contribute to increased tax revenues because of larger levels of economic activity. Secondly such expenditure will yield dividends not only in terms of higher levels of economic activity in the present but also through improving the conditions of production in rural areas.\footnote{Chandrasekhar and Ghosh, \textit{art. cit.}, p. 54.}

The work involved in the programme would build infrastructure such as roads, irrigation, health facilities etc. This could help reverse the neglect of rural infrastructure and be a crucial part of regenerating the rural economy. Providing employment would have beneficial impact of health, education and other determinants of social welfare by breaking the cycle of rural poverty. There may also be indirect benefits if more women are given the opportunity to work as higher levels of female labour force participation are associated with lower infant mortality rates and higher primary school enrolment rates. The revival of rural employment opportunities would reduce migration to urban centers and help ease problem in these areas.\footnote{Agarwal, Siddhartha and Saha, Ruchira, “Engaging rural India”. \textit{http://www.financialexpress.com/latest_full_story.php?content_id=77919}}

One-third of the proposed jobs would be reserved for women and safeguards have been introduced at several levels from village panchayats to zilla parishad. Seeking cooperation of the state governments & other agencies, PM wanted a sound monitoring system and a grievance redressal mechanism to be put in place to ensure that the Act had its, intended effect. He further said that three watch words should be followed: outlays must be matched by outcomes, productive assets must be created.
and guarantee must be implemented in true spirit. Under this Act workers will be paid Rs.80 for working seven hours a day. Equal wages will be paid for men and women. Different opinions have been articulated pertaining to the scheme. Siddharth Varadarajan meanwhile argues that the guarantee of employment at a wage rate less than the statutory minimum as the draft EGA stipulates will undermine the broad purpose of the law & set a bad precedent. V.P.Singh also has said that the provision explicitly overrides the Minimum Wages Act. The private sector contractors & landlords might also use this as an example to argue against the need to be bound by the Minimum Wages Act. Also the provision in the Bill that if the Central Government thinks that there is corruption in the implementation of any ‘scheme’ it can stop funding the scheme – is also highly unjust. To shut down rural works because of corrupt officials is an argument that reveals a bias against the rural poor.

Jean Dreze says that the implementation will face challenges in terms of money, administrative infrastructure, political backing, corruption. One has to be vigilant on corruption & there is bound to be a learning phase. In the current year, under a clutch of schemes including the Food for Work programme, a sum of Rs.11,700 crore is expected to be spent on rural employment. For 2006-2007, the total allocation for rural employment will be Rs.14,300 crore. Of this, Rs.11,300 crore (including North Eastern Region component) will be under the NREG Act & Rs.3000 crore (including North Eastern Region component) be under SGRY. Since there is a legal guarantee of employment under the NREG Act, more funds will be provided according to need.

Swarnajayanti Gram Swarozgar Yojana (SGSY)

The SGSY is an integrated programme for self-employment of the rural poor launched on 1st April 1999 following the restructuring of the erstwhile Integrated Rural Development Programme (IRDP) and allied schemes. The objective of the

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115 Harie (2006), "Manmohan on the job, launches rural scheme", The Times of India, New Delhi, February 3.
116 Varadarajan, Siddharth (2005), "Minimum wage must be treated as sacrosanct", The Hindu, Delhi, August 23.
117 Singh, V.P (2005), "Two steps forward for India", The Hindu, Delhi, August 22.
118 As per interview with Jean Dreze, Centre for Equity Studies. New Delhi, August 29, 2005.
119 The Economic Times, ( March 1, 2006), art. cit.
SGSY is to bring the assisted poor families (Swarozgar) above the poverty line by organizing them into self-help groups (SHGS), training them and helping them in capacity building and provision of income generating assets through bank credit and government subsidy. Other important components of the programme are development of infrastructure, establishment of marketing linkages and providing technological support. The programme has in-built safeguards for the weaker sections with 50% benefits reserved for SC/STs. In addition, 50% of the groups formed in each block are expected to be exclusively for women who will account for at least 40% of the Swarozgaris.\(^{120}\)

The guidelines of the scheme were revised in May 2002 in line with the Tenth Plan strategy. These revised guidelines stipulate that up to Rs. 10,000 can be given to NGOs, community based organizations (CBOs) for facilitating capacity building of SHGs. These organizations have also been engaged in the formation of new SHGS and their training in areas where SHG movement has been weak. The District Rural Development Agencies (DRDAs) have been given considerable flexibility in the disbursement of funds for training and capacity building, revolving fund, infrastructure and subsidy for SHGs. The Tenth Plan also recognised that marketing and training are integral elements for the success of the programme. Accordingly the revised guidelines have outlined procedures facilitating training, marketing, market research, organisation of fairs, exhibitions etc at the ground level.\(^{121}\)

Though the performance of the scheme has improved since its inception albeit gradually a great deal remains to be done. The following are the positive points.

- A total of 8.27 lakh Swarozgaris were assisted in 2002-03 and 8.96 lakh in 2003-04.
- The coverage of weaker sections under the scheme during 2002-03 and 2003-04 has improved in comparison to the earlier years. The percentage of women assisted increased from 44.62% in 1999-2000 to 46.31% in 2002-03 and 52.41% in 2003-04. The share of the SC/ST swarozgaris also rose from 44.32% in 99-2000 to 45.97% in 2002-03 and 46.12% in 2003-04

\(^{120}\) The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), op.cit., p.237.
\(^{121}\) Ibid., pp.237-238.
The percentage of SHG swarozgaris who were credit linked with the banks increased from 37.25% (99-2000) to 65.33% (2003-04).

A concurrent evaluation of SGSY 2002-03 showed that the programme is well targeted, as most of the swarozgaris belong to below poverty line (BPL) families. However training and marketing facilities for the swarozgaris need to be enhanced. 122

However, there are also areas of concern. While the percentage of credit mobilized as against the targets has improved from 32.96% in 99-2000 to 46.90% in 2002-03 & 61.11% in 2003-04, it is still low.

Similarly the credit-subsidy ratio was only 1.95:1 in 2002-03, and 1.83 :1 in 2003-04 as against the norm of 3:1. The average per capita investment is also below the target of Rs. 25,000 though it has increased over time, from Rs. 21,666 in 2002-03 to Rs. 22,469 in 2003-04.

A study on SGSY financing by the RBI reveals lack of coordination between banks and sponsoring agencies, non completion of formalities by borrowers due to illiteracy, bunching of applications and their submissions by the sponsoring agencies at the fag end of the year; lack of awareness of the guidelines of the scheme among the officials of both banks and government agencies etc. The commercial banking network in rural areas is handicapped by the fact that most bank branches are one-man branches which lack capacity to undertake development banking functions which are essential to the success of a programme like SGSY 123

What needs to be done

- The micro level planning process also needs to be strengthened. Key activities should be identified keeping in view the aptitudes and skills of the swarozgaris, availability of raw materials and the market potential. Activities could be selected keeping in view the diversification of the rural economy and growth potential of the non-farm sector.

- Rural clusters need to be developed around identified resources, be it physical resources or traditional skill base of the people. Federations operating

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122 Ibid., p.238.
123 Ibid., pp.238-240.
at the level of a cluster of villages that promote specific activities also need to be formed.

- Training and capacity – building also needs to be strengthened. Training should be in line with the local resource endowments and availability of markets. They should also be devised to effectively harness IT- information technology for the rural poor.

- There is a need for developing market intelligence, establishing/strengthening of village/district markets, providing storage and transport facilities etc. Strengthening marketing linkages for various products made by swarozgaris also requires quality certification, packaging & labeling / branding of products.

- The SGSY programme in order to derive better returns, needs to be integrated with area/ sectoral development programmes of the region and convergence at the district level should also be encouraged.

A total of 17.41 lakhs SHGs have been formed under SGSY in the five years since its inception.¹²⁴ Upto November 2005, the Centre & States, sharing the costs on 75:25 basis, had allocated Rs.8067 crore, of which Rs.6980 crore had been utilized to assist 62.75 lakh self employed.¹²⁵

**Other Employment Generating Programmes**

Prime Ministers Rozgar Yojana (PMRY) and Rural Employment Generation Programme (REGP) are other programmes for creating self employment. While the REGP (Rural Employment Generation Programme) is implemented in the rural areas and small towns (population up to 20,000) for setting up village industries without any cap on income, educational qualification or age of the beneficiary, PMRY (Prime Ministers Rozgar Yojana) is meant for educated unemployed youth with family income of up to Rs. 40,000 per annum in both urban and rural areas, for engaging in any economically viable activity. So far, about 20 lakh units have been set up under the PMRY, creating 30.4 lakh additional employment opportunities. The target for additional employment opportunities under the Tenth Plan is 16.50 lakh. Since the

inception of REGP, upto 31\textsuperscript{st} March 2004, 186252 projects have been financed and 22.75 lakhs job opportunities created. A target of creating 25 lakh new jobs has been set for the REGP during the Tenth Plan.\textsuperscript{126} Besides rural poverty alleviation, removal of urban poverty is also in the agenda of the government.

Urban Poverty alleviation - Trends in urban poverty in percentage and numerical terms show some encouraging signs, though the urban still face certain persistent problem at the ground level. Along with a fall in the proportion of the urban poor, there is also a reduction in terms of absolute numbers. While income levels are rising to meet the basic nutritional needs, the other equally basic needs of shelter, civic amenities, health care, educational and social needs etc are not being met adequately. There are serious deficiencies in urban infrastructure and the coverage of civic amenities is uneven and the ‘urban poor’ generally receive low priority. The government has brought out certain schemes for the urban areas.

Swarna Jayanti Sahari Rozgar Yojana - (SJSRY) is a Centrally Sponsored Scheme which is funded on 75:25 basis between the centre and the states. This scheme initiated in 1997-98 is the only scheme for urban employment which aims at providing gainful employment through setting up of self employment ventures or provision of wage employment. This programme relies on the creation of suitable community structures (neighbourhood groups, neighbourhood committees and community development societies) to provide supporting and facilitating mechanism for local development.\textsuperscript{127} In 2003-2004, the central allocation of Rs.94.50 crore plus Rs.10.50 crore for North-Eastern Region including Sikkim was fully utilized. Even 2004-2005 saw the release of the entire budgetary allocation of Rs.122.00 crore. In 2005-2006, out of an allocation of RS.160 crore, Rs.84.52 crore had been utilized until November 30,2005.\textsuperscript{128}

Employment is crucial in removing poverty, increasing income and removing hunger and malnutrition. The ILO’s ‘World Employment Report 2004-05’ has observed that if people are able to earn more from their work, poverty would decline.

\textsuperscript{126} Economic Survey, 2004-05, op.cit.,p.228.
\textsuperscript{127} The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), op.cit., pp.247-248.
\textsuperscript{128} Economic Survey, 2005-06, op.cit.,p.207.
The report, says that policies ensuring basic property rights and enforcement of contracts can play a role in improving productivity. As examples the report cites the 1978 rural reforms in China which saw an explosive growth (town and village industries along with the example of West Bengal (tenure security) provided by Left Front government. Productivity can be actually experienced if work related realities are changed through policy interventions. The report also debunks the notion that a labour – intensive development strategy is low on productivity. Labour intensive economies are often agricultural economies as well and the report cautions against ignoring this sector. It suggests that economies that are predominantly agricultural should not ignore this sector if the focus is on poverty reduction. Growth, the ILO report stresses is a function of not only productivity but also of employment. Despite this, many development initiatives fail to focus on employment.129

- Direct Food Based Programmes

There are also direct food based programmes which contribute towards physical food accessibility.

Annapurna

The Annapurna Scheme launched on 1st April 2000 as a Centrally Sponsored Scheme provides food security in the form of 10 kg of foodgrains per month free of cost to destitute senior citizens with little or no regular means of existence from his/her own source of income or through financial support from family members or other sources.130 From 2002-2003 it has been transferred to state Plan. The funds for the transferred scheme are being released by the Ministry of Finance as Additional Central Assistance (ACA) to the state plan and the states have the requisite flexibility in the choice of beneficiaries and implementation of the scheme. The implementation of the scheme at the ground rests with the states / UTs. The

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130 The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), op.cit., p.246.
foodgrains are released to the state governments on the existing norms at BPL rates.\textsuperscript{131}

**Antyodaya**

Antyodaya Anna Yojana (AA Y)- Launched in December 2000 provides foodgrains at a highly subsidized rate of Rs. 2.00 per kg for wheat and Rs. 3.00 per kg for rice to the poor families under the TPDS. The scale of issue which was initially 25 kg per family per month was increased to 35 kg per family per month from April 1, 2002. As per the Economic Survey 2005-2006, coverage under this scheme increased to 2.5 crore families in 2005-2006 from 2 crore in 2004-2005.\textsuperscript{132}

**Gramin Bank Scheme**

The scheme has recently been transferred to Ministry of Consumer Affairs, Food and Public Distribution from Ministry of Tribal Affairs on the directions of PMO. The objective of the scheme is to establish Grain Banks in chronically food scarce areas. An amount of Rs. 32.50 crores was available for establishing Grain Banks under Annual Plan during 2005-06. Approximately 13,749 Grain Banks are proposed to be established during 2005-06 and 2006-07. During the period from 1996-97 to 2003-04 1483 Grain Banks were established functioning in 11 states.\textsuperscript{133}

**Mid Day Meals and ICDS**

The Mid day Meal scheme covers students (Class I-V) in the government primary schools run by local bodies. Foodgrains (wheat and rice) are supplied free of cost @ 100 gm per child per school day where cooked / processed hot meal is being served with a minimum content of 300 calories and 8-12 gms of protein each day of school for a minimum of 200 days and 3 kgs per student per month for 9-11 month in a year, where foodgrains are distributed in raw form. In drought affected areas the midday meal is distributed in summer vacation also. FCI releases foodgrains to states/ UTs at BPL rates as per allocation made by Department of

\textsuperscript{131} Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, Government of India. \url{http://fcamin.nic.in/civmon_ind.htm}

\textsuperscript{132} Economic Survey, 2005-06. \textit{op.cit.}, p.203.

\textsuperscript{133} Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution, Government of India. \url{http://fcamin.nic.in/civmon_ind.htm}
Elementary Education and Literacy. 134 Twelve crore children are now covered under the Mid-Day Meal Scheme, which is the largest school lunch programme in the world. The Budget 2006-2007 has proposed to enhance the allocation from Rs.3010 crore to Rs.4813 crore in 2006-2007. 135 The Central Government is now providing the cost of foodgrains as well as the conversion cost at the rate of Rs.1 per child per day.

ICDS - Starting with a modest 33 blocks/projects, it has gradually expanded to 5652 projects of which 5624 projects with 743,156 Anganwadi Centres were operational on July 31, 2005. ICDS covers 484.42 lakh beneficiaries consisting of 403 lakh children below 6 years of age and 81 lakh pregnant & lactating mothers. Government has approved expansion of the ICDS to 467 additional ICDS projects and 188,168 Anganwadi Centres, out of which only 11 ICDS projects remain to be sanctioned. A number of new initiatives have been taken to improve the impact of the programme, which includes sharing of half the cost of supplementary nutrition with the states under ICDS. 136 The cost to the Centre in 2006 was estimated at Rs.1500 crore & the Budget 2006-2007 proposes to increase this assistance to Rs.1700 crore. The total allocation for ICDS is being increased from Rs.3315 crore to Rs.4087 crore. 137 Meanwhile Jayati Ghosh comments that the ICDS programme will require at least Rs.8,000 crores if it is to be universalized within a few months as the Supreme Court has ordered the government to do. 138

- Rural Infrastructure

Infrastructure consists of both hard and soft infrastructure. Hard infrastructure (like roads, electricity supplies, storage facilities, irrigation facilities) is a basic requirement of food access. Availability of work and non-agricultural employment also improve with better road links. Moreover rural electrification helps the

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134 Ibid.
135 The Economic Times, (March 1, 2006), art.cit.
137 The Economic Times, (March 1, 2006), art.cit.
establishment of non-agricultural enterprises in the village, improves livelihood access and helps in irrigation.\textsuperscript{139}

Bharat Nirman has been conceived as a business plan, to be implemented over a period of four years, for building infrastructure especially in rural India. It will have six components namely irrigation, roads, water supply, housing, rural electrification and rural telecom connectivity. In each of these areas high targets have to be set, to be achieved by the year 2009. The UPA government's goal are-

- To bring an additional one crore hectares under assured irrigation
- To connect all villages that have a population of 1000 with a road
- To construct 60 lakh additional houses for the poor
- To provide drinking water to the remaining 74,000 habitations that are uncovered.
- To reach electricity to the remaining 1,25,000 villages and offer electricity connection to 2.3 crore households and
- To give telephone connectivity to the remaining 66,822 villages. The government believes that Bharat Nirman is an achievable project.\textsuperscript{140}

The World Bank has said that it is prepared to lend up to $3 billion over the next three years for the Rs.1,74,000 Crore Bharat Nirman programme for developing rural infrastructure.\textsuperscript{141}

The CPI(M) comments that the plan outlays for Bharat Nirman continue to be non-transparent and there is no discussion either on the outlays or the outcomes achieved so far in the Approach Paper to the 11\textsuperscript{th} Five Year Plan. Also the Approach Paper advocates an 'aggressive effort' to promote Public Private Partnerships in infrastructure projects. Entry of private players into infrastructure projects not only lead to increases in user charges to the detriment of the poor, but they also lead to concentration on the more profitable operations undermining the capacity of the public sector to cross-subsidize its loss making but socially necessary operations.\textsuperscript{142}

\textsuperscript{139} The Food Insecurity Atlas of Rural India, \textit{op.cit.}, p.51.
\textsuperscript{141} "$3-Billion Package for Bharat Nirman" (2005), \textit{The Hindu}, Delhi, August 21.
\textsuperscript{142} CPI(M)'s Comments on Planning Commission's Approach Paper to the XI Plan, \textit{art.cit}
In the first year of its implementation, 2005-2006, Rs.94.18 crore was released so far as grant under the Accelerated Irrigation Benefit Programme (AIBP) & the target of 600,000 hectares of irrigation potential was expected to be created in 2006. 5337 habitations were connected under the rural roads programme by September 2005 & Rs.3749 crore has been released so far. 870,000 rural houses have been constructed and a sum of Rs.2260 crore was released till January 2006. 47,546 habitations have been covered until January 2006 under the Accelerated Rural Water Supply Project (ARWSP). The entire allocation for rural electrification of Rs.1,100 crore has been released & the target of covering 10,366 villages is expected to be achieved in the current fiscal. 17,182 villages were provided with a telephone till December 2005 in the first year of the three-year programme. Since the implementation of the Bharat Nirman has gathered pace, the Budget 2006-2007 proposes to extend larger budgetary support to the programme. Including the North-East component, as against Rs.12,160 crore provided, in the current year, the corresponding budgetary provision will be Rs.18,696 crore in 2006-2007, an increase of 54%.143

Rural Electrification - The massive programme for rural electrification has begun in 2005-06 with the objective of covering 1.25 lakh villages in 5 years. The focus will be on deficient states. The programmes envisages creation of a rural electricity distribution backbone with a 33/11 KV substation in each block and at least one distribution transformer in each village and Rs. 1,100 crore has been provided for this programme in the next year. PURA or Provision of Urban Amenities in Rural Areas is an idea that contains within itself possible solutions to a number of problems that afflict rural India such as unemployment, isolation from markets, lack of connectivity and migration to cities.144 Also the Pradhan Mantri Gramodaya Yojana (PMGY) launched in 2000-01 envisages allocation of Additional Central Assistance (ACA) to the states and UTs for selected basic services such as rural shelter, rural drinking water, nutrition and rural electrification, primary health and primary education. For 2003-04 as well as 2004-05, the annual allocation of ACA for PMGY was Rs. 2,800 crore.145 Also under Rural Housing, Indira Awaas

143 The Economic Times, (March 1, 2006), *art.cit.*
144 Speech of P. Chidambaram, *art.cit.*, pp.16-17.
Yojana (IAY – in rural areas for BPL families) and Valmiki Ambedkar Awas Yojana (in urban slums for the BPL population) are operational.

The Pradhan Mantri Gram Sadak Yojana (PMGSY) - Launched in December 2000 as a 100% centrally sponsored scheme, aims at providing rural connectivity to unconnected habitations with population of 500 persons or more in the rural areas by the end of the 10th plan period. Augmenting and modernizing rural roads has been included as an item of the National Common Minimum Programme. Upto December 2004, with an expenditure of Rs. 7866 crore, total length of 60,024 km of road works was completed. The National Rural Roads Development Agency (NRRDA), an agency of the Ministry of Rural Development registered under the Societies Registration Act provides operational and technical support for the programme. Upto December 2005, with an expenditure of Rs.12,049 crore, a total length of 82,718 km of road works had been completed. Government will focus on providing basic infrastructure to the poor especially those in rural India and in urban slums. The Rural Infrastructure Development Fund (RIDF) has so far disbursed funds in 11 branches. RIDF XI sanctions have touched a level of Rs.7301 crore as on January 31,2006. A special feature in 2006 was that Rs.346 crore had been sanctioned to the North-Eastern States. This sum was likely to touch Rs.600 crore by the year end. Keeping in view the expanding requirements for creating rural infrastructure, it has been proposed in the Budget 2006-2007, to increase the corpus of RIDF XII to Rs.10,000 crore. It has also been proposed to allow specified projects under the Public Private Partnership (PPP) model to access RIDF funds. The budget for 2005-2006 had announced a corpus of Rs.8000 crore.

Programmes for development of Natural Resources

The rainfed agriculture, which constitutes 60% of net sown area, is characterized by low levels of productivity & low input usage. Bulk of the rural poor live in the rainfed regions, therefore it is important to accord a high priority to

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146 Ibid., pp.228-229.
148 The Economic Times, (March 1, 2006), art. cit.
sustainable development of these areas through watershed development approach. Watershed development can be sustained in the long-run only through social mobilization & capacity building. A study of the economic benefits reveal that the successful watershed projects yield returns on investments and provide increasing avenues for employment and income generation.150

These programmes are important for creating conditions whereby sustainability of food availability can be maintained. As per the Mid Term Appraisal of the Tenth Five Year Plan, scientific watershed management was the cornerstone of the Tenth Plan strategy for development of degraded lands. As against a total 9th plan expenditure of Rs. 2179 crore, the 10th Plan outlay for watershed development programmes was raised to Rs. 5400 crore for the programmes implemented by Department of Land Resources. The Plan also indicated that a national policy on land resource management would be formulated for optimum management of land resources. Convergence of watershed programmes under one ministry, revival of traditional water harvesting structures, land and forest regeneration, capacity building and training were some of the other areas which were identified for attention during the plan.151

Some of the Programmes are
a) Drought Prone Area Programme (DPAP) - initiated in 1973-74, taken up to minimize the adverse effects of drought on production of crop and livestock, productivity of land, water and human resources. The scheme is implemented in 972 blocks of 182 districts in 16 states.
b) Desert Development programme - seeks to contain adverse effects of desertification on crops and on human and livestock population.
c) Integrated Wasteland Development Project (IWDP)-implemented in 374 districts, seeks to check land degradation and increase biomass availability by putting wastelands under sustained use.
d) National Watershed Development Project in Rainfed Areas- focusses on conservation, development and sustainable management of natural resources

151 The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), op.cit.,p.255.
including their use. Its main objectives are enhancement of agricultural production and productivity in a sustainable manner and restoration of ecological balance. 152

On an average only 4 million hectares of degraded land were covered under watershed projects in the first two years of the 10th plan. Considering the fact that close to 90 million hectares of degraded and rainfed land needs to be covered under watershed programmes, the pace of development is extremely slow and needs to be stepped up considerably to improve the productivity of land through better land and water management. It is preferable if all watershed projects are implemented by a single department/agency within a common framework. At the very least, it is imperative that the guidelines and the cost norms are similar so that convergence is possible at the district level. Evidence suggests that people’s involvement in watershed projects provides for capacity-building and greater commitment on the part of the community to construct and maintain structures created in the course of project. The Pani Panchayat in Maharashtra is a successful example of people’s contribution in a watershed project.153

Since 33% seats in PRIs are reserved for women and PRIs have a role in watershed development programmes, platform for women’s participation in watershed projects exist. However, these have not translated into transfer of decision making powers to the women. All efforts by the government and NGOs for crop diversification and infusion of technology have failed due to lack of input and output marketing linkages. The question of livelihoods and the role of land and water in the provision of that livelihood should be brought to the centre stage in watershed development.154

Drought Prone Areas Programme (DPAP), Desert Development Programme (DDP) and Integrated Wastelands Development Programme (IWDP) are being implemented for the development of wastelands/degraded lands. For 2005 – 2006, Rs.353 crore, Rs.268 crore & Rs.485 crore were allocated for DPAP, DDP & IWDP, respectively. So far in 2005-2006, upto October 2005, 3000 new projects covering 15

152 Ibid.
153 Ibid., pp.256-259.
154 Ibid., p.260.
lakh hectares, 2000 new projects covering 10 lakh hectares and 340 new projects covering 16 lakh hectares had been sanctioned under DPAP, DDP and IWDP respectively.\textsuperscript{155} A technical committee set up by the Union Ministry for Rural Development to review Watershed Programmes has come up with a blueprint of a National Authority for Rainfed Areas (NASDORA). The report of the Parthasarathy Committee has just been printed. The Committee argues that one of the major problems with the Watershed programme is that at each level it is administered by people who have a lot on their hands. The committee therefore recommends the setting up of an All India Authority that is functionally focused, operationally integrated & attuned to collaboration with a diverse set of stakeholders. It must be endowed with autonomy & flexibility to respond innovatively to local needs & must have clear accountability for performance.\textsuperscript{156}

- Other Efforts

The improvements in the following have an indirect impact on the overall Rural Development.

Education

Education is one of the effective instruments in reducing rural poverty. A strong Human Capital is a must for an agrarian economy to prosper.

For 2006-2007, the allocation for education has been enhanced by 31.5% to Rs.24,115 crores.\textsuperscript{157} Sarva Shiksha Abhiyan (SSA) launched in November 2000 as an umbrella programme continues to be implemented. Sarva Shiksha Abhiyan (SSA) has recorded remarkable progress in 2005-2006 in terms of new schools, additional class rooms & additional teachers. Allocation increased to Rs.7156 crore in 2005-2006 from Rs.5080 crore in 2004-2005 and the Budget 2006-2007 proposes to increase the outlay for SSA from Rs.7156 crore to Rs.10,041 crore in 2006-2007. 500,000 additional classrooms will be constructed & 150,000 more teachers will

\textsuperscript{155}Economic Survey, 2005-06. \textit{op.cit.}, p.207.
\textsuperscript{157}The Economic Times, (March 1, 2006), \textit{art.cit.}
be appointed. In 2006-2007, Rs.8746 crore will be transferred to the Prarambhik Shiksha Kosh from the revenues raised through the education cess. \textsuperscript{158}

**Social Security**

The National Social Assistance Programme (NSAP) was launched as a centrally sponsored scheme in 1995 with the aim of providing social assistance benefit to poor households in the case of old age, death of primary breadwinner and maternity. The programme supplements the efforts of the state governments with the objective of ensuring minimum national levels of well being and the Central assistance is an addition to the benefit that the states are already providing on social protection schemes. Since 2001-02, NSAP (National Social Assistance Programme) has two components - National Old Age Pension Scheme (NOAPS) and National Family Benefit Scheme (NFBS). In the latter i.e in NFBS a lump sum benefit of Rs. 10,000 is provided in the case of death of primary breadwinner of a BPL family occurs due to natural or accidental causes. \textsuperscript{159}

Finally, actual progress on convergence/integration has been slow and many schemes continue to maintain a separate identity. Alongwith the new schemes added, the Department of Agriculture and Cooperation (DAC) currently has about 60 schemes with over 100 distinct components and DAHD (Department of Animal Husbandry and Dairying) 19 schemes with 30 components. The DARE/ICAR (Department of Agricultural Research and Education)/(Indian Council of Agricultural Research) Scheme/projects currently number over 200, since most erstwhile projects continue as per original approval. Progress in implementing plan programmes in the first two years of the 10\textsuperscript{th} plan was also slow. There was delay in starting new schemes meant to impart specific thrust to the 10\textsuperscript{th} plan strategy. So far the DAC has started 9 new tenth plan schemes, the DAHD three and DARE/ICAR five. Union Budget in July 2004 increased allocations for DAC, DAHD and DARE/ICAR by 22\%, 67\% and 29\% respectively. Further increase in allocations over 2004-05 RE of 42\% for DAC, 16\% for DAHD & 28\% for DARE were made in the

\textsuperscript{158} Ibid.

\textsuperscript{159} The Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), \textit{op.cit.}, p.246.
Union Budget for 2005-06. Kamal Mitra Chenoy comments that there is a need to consolidate rural development programmes as there is lack of cohesion, duplication of efforts, loss of money and lack of synergy in efforts. Jean Dreze also feels that fewer programmes with better implementation would certainly be better.

-Efforts of Non-Governmental Organisations.

Apart from the government schemes, a look at the voluntary sector would reveal that NGOs in the recent past have taken initiatives in trying to eliminate hunger and malnourishment in their own ways and for initiating rural development. The Hunger Project (THP) is a strategic organisation committed to the end of hunger and it currently has programme intervention in 14 states. (UP, Bihar, Tamil Nadu etc.) THP is committed to addressing the entrenched social conditions that hold hunger in place in India such as caste, patriarchy, subjugation of women, lack of access and control over productive assets and domination of decision making by a few. Also it believes that PRIs (village councils) make possible a social and economic revitalization of rural India and play a key role in providing better health, more education and better incomes through implementation of development programmes. Adil Ali of the Hunger Project (THP) comments that THP wants to empower women panchayat leaders as THP feels that women deal with health and nutrition issues at home and therefore are better as representatives. THP is trying to provide technical guidance to women and there are now 30,000 women as panches and surpanchans out of which 10,000 are master trainers. However as Adil says there is need to work on governance – structured support is needed.

CARE India in the last 55 years has moved along a continuum from providing relief to delivering direct services to the poor to playing the role of a facilitator. After the mid 1980s, CARE consolidated its food program to direct them in a focused manner towards improving health (maternal and child health) education (women's

160 Ibid.
161 Refer fn no.99.
162 Refer fn no.116.
163 Learning from Experiences (2004), The Hunger Project, New Delhi, December.
empowerment) and girls’ education. Care also like THP focusses on increasing representation and participation in local governance in order to address issues of poverty and social injustice.\footnote{India Report 2004, CARE India, New Delhi, pp. 21-22.} Amarinder Singh of CARE India comments that CARE India’s programme (in 14 states) has diversified its activities from merely food distribution to health, primacy education etc and its principle is working on concept of negotiated development. CARE follows the middle path and feels that it is better to align with the state as the latter is better equipped to provide services as it has more resources, skill and manpower.\footnote{As per interview with Amarinder Singh, CARE India, New Delhi, May 2005.}

Catholic Relief Services provides assistance to the poor to alleviate their immediate needs and support self-help programs which involve people and communities in their own development. Over the decades CRS has supported local partners to implement a range of health, education, agriculture, safety net and emergency programming.\footnote{India Program. Annual Public Summary of Activities (2004), Catholic Relief Services, New Delhi, pp. 1-3.} In 2004 CRS supported 4,434 educational institutions to reach out to 336,978 children of whom 48% were girls.\footnote{Ibid., p.5.} Sarah Cashere comments that CRS covers states of Jharkhand, Chattisgarh, MP, Andhra Pradesh, West Bengal, North East etc. It has played crucial role and given support to food for work programmes, watershed development and educational institutions.\footnote{As per interview with Sarah Cashere, Catholic Relief Services. New Delhi, June 2005.}

IDRC (International Development Research Centre) recognizes that environmental degradation is inextricably linked with widespread rural poverty and inequitable access to basic resources. Promoting food and livelihood security is therefore a priority.

IDRC takes a multidisciplinary approach to tackling development problems through three broad program Areas-

- Environment and Natural Resource Management
- Information and communication Technologies for development
- Social and Economic Equity
IRDC builds on community knowledge and participation to inform policy and institutional frameworks that govern resource management.\(^{171}\)

Another NGO initiating rural Development work is the NGO of Development Alternatives. This NGO has different branches/groups which deal with various aspects-

a) Rural Environment Group - This group offers planning and management, capacity building, monitoring and evaluation and policy advice services in the areas of land and water management, sustainable agriculture, participatory resource management and micro enterprises.


c) The Institutions Systems Branch - creates platforms that facilitate people to people interactions which are essential to ensure that development processes are internalised and sustainable. The Small Organization Support (SOS) group of this branch focusses specifically on community groups, village panchayats and small voluntary organisations to build up their capacity.\(^{172}\)

Also the Social Action Group (SAG) has initiated microcredit support to aid the rural entrepreneurs in establishing their enterprises. Checkdams have been constructed and organic cultivation was initiated. Thrust was also laid on promoting value addition of local horticultural produce for better price realization and linkage worth Rs. 15 lakh in form of Cash Credit Limit (CCL) between banks and SHGs were established during the year.\(^{173}\)

The Development Alternatives Group (DA Group) comprises Development Alternatives and its associate organizations in India: Technology and Action for Rural Advancement (TARA), People First and their subsidiaries. The DA Group has found that it is important to create/achieve sustainable livelihoods in large numbers.

\(^{171}\) *Supporting innovative research for development in South Asia* (2001), International Research Development Centre. New Delhi, pp. 3-4.

\(^{172}\) The Development Alternatives Group ... *Creating sustainable livelihoods. Development Alternatives* (2005), New Delhi.

Taragram (TARA village) in Orchha _ MP is an example of what can be achieved in the harshest conditions of rural India. The campus is self-sufficient in water, achieved through sustainable land and water management practices and also self sufficient in power. Main activities of Taragram broadly cover four areas –  
- Community mobilization and empowerment - village development committees have been mobilized to manage community assets like forests, common lands and water supply systems.
- Sustainable Natural Resource Management - Taragram focuses on rejuvenation of watersheds and wastelands. Water harvesting and conservation is carried out and farmers are trained to enhance productivity through improved agricultural practices and diversification into agro-forestry, horticulture and floriculture.
- Sustainable Livelihood Enterprises - Training and assistance is provided for setting up farm based enterprises and off farm enterprises which include energy, water and handicrafts.
- Community Infrastructure and facilities - Taragram has been able to encourage local communities to build and manage community infrastructure - water supply, sanitation and drainage systems, community centres. Moreover tarahaat.com is the first internet portal designed specifically for rural India. Tarahaat delivers relevant information, products and services to the underserved markets of rural India. DESI Power is also dedicated to the promotion of renewable energy and employment generation, especially in rural areas.\(^{174}\)

### 4.4 Punjab

#### 4.4.1 Food Absorption

For analyzing food absorption the following have been considered.

- Nutrition

As per the Punjab Human Development Report 2004, the number of children who were moderately anaemic was very high & 74.8% of the children were found to suffer from some form of anaemia. Such a high level of anaemia could be a combination of lack of a proper diet to children & that some sections are unable to

\(^{174}\) The Development Alternatives Group ... Creating sustainable livelihoods, *op.cit.*
provide a balanced diet. An expenditure of Rs. 8.91 crores was incurred under the PMGY component of Nutrition Programme during the 9th Plan. An outlay of Rs. 37.50 crores has been provided for the 10th Five-Year Plan. Supplementary Nutrition is provided to children below 6 years of age and to nursing and expectant mothers from low income families and special attention is paid to the delivery of supplementary nutrition to the children below 3 years of age who are identified as severely malnourished. Under this scheme approximately 70% Scheduled Castes beneficiaries are covered. An outlay of Rs. 1000.00 lakhs has been provided for the 10th Five Year Plan. Also there is the Kishori Shakti Yojana (KSY) which has two components, training of adolescent girls and supplementary nutrition to the adolescent girls. As GOI has made provision under KSY in ICDS, General Grant, therefore the State Government has decided to provide funds under ICDS (100% Centrally Sponsored Schemes) Non plan scheme for implementation of ‘Kishori Shakti Yojana’. The rate of supplementary nutrition fixed under ICDS scheme has been followed under Kishori Shakti Yojana i.e. Rs. 1.15 paise per day per girl for 300 days in a year. An outlay of Rs. 250 lakhs has been provided for the 10th Five Year Plan.

- Health

While Punjab is one of India’s most prosperous states, mortality rates are high and many communities particularly schedule castes, landless & migrant labourers live in poverty and squalor. Among diseases are those which are generally associated with poor sanitation, low levels of nutrition and resistance, communicable diseases found in unsanitary living conditions and water borne diseases example TB and malaria. The latter specially because of waterlogging in fields (especially accumulated irrigation water in agricultural fields) and poor sanitation. Health with the commitment of achieving the goal of health for all, Punjab government is providing primary health care facilities in the rural areas of the state through a network of 2852 sub-centres, 484 primary health centres, 1465 subsidiary health centres and 117 community

177 Ibid., pp.189-190.
health centres. An outlay of Rs. 26.25 crores for the 10th Five Year Plan has been provided under PMGY for the provision of Primary health care services by filling up the gaps in the existing health infrastructure.\textsuperscript{179}

Punjab has a lower Infant Mortality Rate (IMR) than the National Average. The IMR of Punjab has come down from 77 in 1961 to 51 in 2002 to 49 in 2003 (national average being 60 in 2003). However it is worse than Kerela which was at 11 in 2003.\textsuperscript{180} The Punjab Human Development Report 2004 points out that according to NSS 52nd Round PAP figures (persons ailing per 1000 population) for rural Punjab is 76 which is the third highest among all states. The average for India being 55 (rural) and 54 (urban) respectively. These numbers applied to population figures of 2001 indicate that over 19 lakh people suffer from any ailment at any given point of time in a population of 242 lakhs.\textsuperscript{181} This definitely is a disturbing trend. However life expectancy has improved in the state, from 47.5 years in 1961 by over 40% but in the last two decades this improvement has become far more gradual. In the 1990s, there was only a gradual increase in life expectancy.\textsuperscript{182} If one considers the recent figures one sees that life expectancy at birth (1998-2002) for males is 67.4 & for females it is 69.5, overall 68.5 (the figures are higher than all India figures of 61.6, 63.3 & 62.5 respectively).\textsuperscript{183}

An outlay of Rs. 530.81 crores for Health has been provided for the 10\textsuperscript{th} Five Year Plan. The state government is implementing a ‘World Bank Aided Project for the Development of Health Care systems in Punjab’ through the Punjab Health Systems Corporation (PHSC).\textsuperscript{184} Allocation in health went up to Rs. 271 per capita for 1999-2000 and Rs. 292 per capita in 2000-01. However public investments in health care is very low. There must be sensitive health investment planning which is biased towards greater distribution of resources to under privileged areas, places and groups.\textsuperscript{185} Rural health services have been a neglected area both, in prices and infrastructure.

\textsuperscript{179} Annual Plan 2003-04, op.cit., p.211.
\textsuperscript{181} Punjab Human Development Report, op.cit., p.70.
\textsuperscript{182} Ibid., p.62.
\textsuperscript{185} Punjab Human Development Report, op.cit., p.90.
The reach of health institutions is very good and there has been a four fold increase in the number of primary Health Centres servicing rural Punjab since 1980 covering the entire state. However there is an increasing trend towards the privatization of medical care in Punjab.\textsuperscript{186} Even the poor are turning to private health service providers. The fact that the poor have to pay large sums for treatment (leading to further impoverishment) reveals the breakdown of the public health care system.\textsuperscript{187}

- Water Supply and Sanitary Programmes

As per the Economic Survey 2005-2006, if one looks at the status of coverage of habitations under rural water supply (as on April 1, 2005) then one observes that in Punjab out of a total of 13,449 villages, 803 were not covered, 1128 were partially covered and 11,518 were fully covered.\textsuperscript{188} In rural Punjab 45% households possessed drinking water sources within their dwellings whereas 37% had access to drinking water outside their dwelling but within their premises and 17% households accessed drinking water within a distance of 0.2 km from their dwelling. In rural Punjab 85.2% households had water of satisfactory quality and this number equals the national average. However there are problems as far as quality of water is concerned as there are reports of contamination of surface and groundwater from sources such as fertilizers used in agriculture filtering into the soil etc. About one household in every five does not have any drainage facility in Punjab. However it is encouraging that half of the households have access to pucca drainage.\textsuperscript{189}

Punjab government is committed for cent percent coverage of rural and urban population with safe drinking water. An amount of Rs. 888.52 crores has been provided during 10th plan for providing safe drinking water supply and sanitation facilities to the rural and urban areas. The 10th Plan envisages coverage of the

\textsuperscript{186} Ibid., p.77.
\textsuperscript{187} Ibid., p.81.
\textsuperscript{188} Economic Survey, 2005-06, op.cit.,p.220.
\textsuperscript{189} Punjab Human Development Report, op.cit., pp.87-88.
entire rural population with water supply facilities for which an outlay of Rs. 596.38 crores has been provided. Also there is the Rajiv Gandhi National Drinking Water Mission including repair of damaged water supply schemes which are being executed. Submission projects are executed on sharing basis (75:25) between GOI and state government. Government of India shall provide funds by diverting 20% of the funds made available under Accelerated Rural Water Supply Programme. The main aim of this programme is to cover brackishness / fluoride affected and waterlogged schemes of village in the state. The Government of Punjab has initiated a new programme i.e Water Resources Management Project for assistance from World Bank to improve rural water supply and sanitation of villages, willing to pay for better services. Public Health Department has identified 2676 villages with highest priority needs to be covered in this project. Out of these, 600 villages will be covered under Phase – I and 2676 villages under Phase-II. As per the Economic Survey of 2005-2006 the percentage access to safe drinking water to households in Punjab has improved from 84.6% in 1981 to 92.7% in 1991 to 97.6% in 2001. It is much higher than the national average of 77.9% in 2001. Among rural it has improved from 81.8% in 1981 to 92.1% in 1991 to 96.9% in 2001.

The importance of Rural Development has been identified as critical and an outlay of Rs 600.00 crores has been provided for 10th Five Year Plan under the head of ‘Rural Development’. Main emphasis will be on the improvement of village sanitation through pavement of streets, construction of drains, disposal of sullage water, shelter to the poor and wage/self employment etc. The District Rural Development agencies provide financial assistance to yellow card holders in rural areas for setting up their own independent/self employment ventures.

### 4.4.2 Developmental Schemes enhancing Food Security

In Punjab there are a number of schemes which have been implemented for poverty alleviation and employment generation.

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Sampoorna Grameen Rozgar Yojana (SGRY) & National Food for Work Programme (NFWP)

Under SGRY, an outlay of Rs. 15625.00 lakhs has been provided as state share for the 10th Five Year Plan. For the year 2003-04 Government of India had allocated funds amounting to Rs. 5356.85 lakhs in Punjab state. In addition to this 50.88 thousand tonnes of wheat had also been allocated. Against the total available funds of Rs. 6653.53 lakhs, Rs. 6055.59 lakhs (91%) were utilized. In addition to this 48.74 thousand tonnes of wheat had also been distributed to labourers as a part of payment of wages and 46.00 lacs mandays of employment have been generated, out of which 33.78 lac mandays have been generated for SCs. Upto September 2004 against the total available funds of Rs. 4659.50 lacs, Rs. 2829.53 lacs (61%) had been utilized. From the year 2004-05 the funds are distributed in 20:30:50 proportionately among the zilla parishad, panchayat samitis and gram panchayats. Government of India has allocated funds amounting to Rs. 8034.13 lakhs to Punjab State. In addition to these 67022 tonnes of wheat has also been allocated. Hoshiarpur district has been selected for The National Food for Work Programme in Punjab. Under this scheme fund of Rs.748.65 lakhs and food of 7356 tonnes of wheat has been allocated to the Hoshiarpur district, out of which fund of Rs 200 lakhs and food of 7355 tonnes of wheat had been released in 2004.

Swaranjayanti Gram Swarozgar Yojana (SGSY)

Emphasis is laid on the cluster approach and for this 4-5 key activities will be identified for each block based on resources, occupational skills of the people and availability of markets. The main key activities are bee keeping, handloom, dairy, poultry sewing, knitting and embroidery etc. An outlay of Rs. 5250 lakhs as state share has been provided for the 10th Five Year Plan. During the year 2003-04 assistance of Rs. 2029.84 lakh (subsidy + Loan) was provided to 6554 beneficiaries. In the year 2004 (upto September 2004) an assistance of Rs. 701.66 lakh (subsidy and loan) had been provided to 2196 beneficiaries. During the year 2003-04, 4038 (62%) SCs beneficiaries were provided loan amounting to Rs. 1203.76 lakhs and

upto September 2004 an amount of Rs. 411.17 lakhs was given to 1293 SCs beneficiaries.195

Other Employment Generating Programmes
Prime Minister's Rozgar Yojan (PMRY) - The main objective of this 100% centrally sponsored scheme is to provide self-employment opportunities to educated unemployed youth in the age of 18-35 years. The loan provided under the scheme is upto Rs. 95000/- with 15% subsidy subject to maximum of Rs. 7500/-.196

Swarna Jayanti Shehari Rozgar Yojana is also operating as the urban self-employment programme. It is being funded on 75:25 ratio basis between Centre and the states.197 Swarnajayanti Shehari Rozgar Yojana has three components namely

- Urban Self-employment program
- Urban Wage Employment Program and
- Development of Woman and Children in Urban Areas.

Under Urban Self Employment, loan and subsidy amounting to Rs. 81.29 lakhs were given to 913 beneficiaries during the year 2003-04. Upto Sept 2004 an amount of Rs. 7.35 lakhs to 208 beneficiaries had been disbursed. During the year 2003-04, 458 SCs beneficiaries were given Rs. 41.45 lakhs and in 2004 upto September 2004, 100 SCs beneficiaries had been provided an amount of Rs 367 lakhs. Under Urban Wage Employment Programme 0.43 lakh mandays had been generated with an expenditure of Rs. 106.37 lakhs during the year 2003-04 and further 0.18 lakh mandays had been generated with an expenditure of Rs 42.13 lakhs upto September 2004. Under the scheme for development of women and children in urban areas, Rs 4.17 lakhs was distributed during 2003-04 to 20 beneficiaries as loan and subsidy. Out of total 20 beneficiaries, 10 SCs beneficiaries were given loan and subsidy amounting to Rs 2.22 lakhs. Upto 2004 September under this component no progress had been achieved.198

195 Poverty Alleviation, art.cit.
197 Ibid., p.204.
198 Poverty Alleviation, art.cit.
Agricultural Finance for Self Employment—Under this scheme Punjab State Cooperative Agriculture Development Bank advance loan for self employment ventures like dairy development, fish farming, bee keeping, poultry, sheep breeding, cattle feed processing units and fish culture. The bank is also advancing loans for agricultural purposes such as installation of tubewells, purchase of tractors and agricultural implements/development of horticulture etc. Loans by Punjab Khadi and Village Industries Board is provided with a view to provide self-employment opportunities in rural areas. Loan of Rs. 10 lakhs are given to individuals and above Rs. 10 lakhs but upto Rs. 25 lakhs is given to Samities and Cooperative societies.199

Issue of Yellow Cards—To implement the Special Rural Development programme in the state, beneficiaries are identified and yellow cards are issued for getting the benefit under this programme. An outlay of Rs. 40 lakhs has been provided for the 10th Five Year Plan. Setting up of Focal Points—The state government launched this scheme during 1997-98. The object of this scheme is to provide full and gainful employment, to revive/intensify traditional rural industries and trades, to facilitate development of cottage and small scale industries, to fully develop local resources and to ensure that the weaker sections of rural society are enabled to participate in the development process.200

The generation of new employment opportunities has always remained on the top agenda of the state government. An outlay of Rs. 404.81 crores was earmarked for providing employment to 204516 persons during 2004-05 through self employment/wage employment and indirect employment. The Government has got disbursed loan amounting to Rs 1549.22 lakhs to 2873 persons through financial institutions as against the target of 9200 persons under PMRY. The State government is also organizing Rozgar Mela to provide information and employment counselling to rural unemployed youth. During the year 2003-04 new schemes were launched by the department namely Self Employment Groups and Domestic and Business Help Line. The first scheme is meant mainly for the rural population to help such person who, possess some education, skill or experience in forming a group to start any kind of useful activities towards earning a livelihood. In the other scheme, groups of unemployed person who are registered with a particular employment exchange and

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200 ibid., p.50.
posses some kind of skill or technical know-how are formed to receive calls or demand for doing service from employment officer. Besides this, the government is also providing unemployment allowance to educated unemployed persons who are not adjusted in any gainful employment.201

**Direct Food based Programmes**

Antyodaya, Mid day Meals and ICDS are operational in Punjab. The mid-day meal scheme has been introduced in 40 blocks, selected on the basis of lowest female literacy rates (1991 rates) in the state. These blocks are located in nine districts Patiala, Firozpur, Mukatsar, Mansa, Faridkot, Amritsar, Sangrur, Bathinda and Moyga. Under the scheme 3 kg of grain is given to each student.202

**Rural Infrastructure.**

A number of programmes are being implemented for the development of rural infrastructure. Pradhan Mantri Gramodaya Yojana (PMGY) - An amount of Rs. 241.24 crores have been provided in the 10th Five Year Plan (2002-07). The detail of the programmes covered under the PMGY are as follows:-

1. Provision of safe drinking water in every habitation
2. Provision of efficient health care for every group of 5000 persons.
3. Provision of public houses assistance to the shelterless poor (Rural shelters – Gramin Awaas)
4. Nutritional support to the children belonging to the poor families in preschool and elementary education stage.
5. Universal and compulsory primary education (Education)
6. Rural Electrification203

Rural Electrification - All the villages in the state have already been electrified but all the households are not yet covered. Now under PMGY, the target is to cover all the remaining households of the villages by the end of the 11th Five

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[http://punjabgovt.nic.in/ECONOMY/HumanResource.htm](http://punjabgovt.nic.in/ECONOMY/HumanResource.htm)

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Year Plan i.e. 2012. As per the guidelines priority will be given to Scheduled Castes basties. For the implementation of this programme, Planning Commission Government of India has issued guidelines regarding allocation of funds. This programme will be implemented by State Electricity Board. An outlay of Rs. 75 crores has been provided by the Government of India for the 10th Five Year Plan (2002-07).\textsuperscript{204} Also housing is provided under Grameen Awaas under PMGY and Indira Awaas Yojana. During 10th Five Year Plan, 325000 Swarozgaris beneficiaries would be covered through various self-employment ventures under “Swarna Jayanti Gram Swarozgar Yojana, 300 lakh mandays of employment would be generated under SGRY and 62100 houses would be constructed upgraded under Indira Awas Yojana and Rural Shelter (Grameen Awaas) for the upliftment of the rural poor.\textsuperscript{205}

**Programmes for development of Natural Resources**

Punjab is facing a major ecological problem which can have adverse impact on the sustainability of food security in the long run. As part of rural development, schemes have been formulated for development of these natural resources.

Water - In the rural areas large amount of funds are being earmarked to enhance the water allowance level from existing 40 LPCD to 100 LPCD. There is special emphasis on repair of damaged water supply schemes due to waterlogging in specific districts. The state government proposed to spend Rs. 596.37 crores during the 10th Plan for commissioning/augmenting/executing of rural water schemes.\textsuperscript{206}

Soil-Various schemes/programmes for Soil Conservation which are to be implemented during the 10th Plan.

- Soil and Water conservation on watershed basis in Kandi Non Project Areas (NABARD assisted scheme) and in other area of the state
- Centrally Sponsored Macro-Management Work Plan for Soil Conservation Department. The programmes covered under this scheme are

\textsuperscript{204} Ibid., p.212
\textsuperscript{205} Ibid., pp.9-10.
\textsuperscript{206} Ibid., p.11.
- Watershed development programme of rainfed area
- Reclamation of ravinous area
- Agriculture field drainage
- Efficient use of irrigation water
- Strengthening of State Land Use Board etc. An amount of Rs. 537.05 lakhs has been provided under the scheme for 10th Plan.

Forestry—There is an urgent need to augment the forest resources of the state by bringing all the available lands under the tree cover. Some of the major schemes are—

Fuelwood and Fodder Project— an outlay of Rs.1000 Lakhs has been provided under the scheme for the Tenth Plan with which an area of 11000 hectares will be afforested.

Externally - aided Forestry Development Project—It is an externally aided project which is being implemented in the state with the assistance of JBIC, Japan. The operation period for this project was for 8 years (97-98 to 2004-05) which has now been extended upto 31.3.07. The second tranche of the project is scheduled to end in March 2007. The main object of the project is to slow and reverse the degradation of the natural environment through the use of appropriate soil and moisture conservation technology. For improvement in production and income from crops of fuelwood, fibres, fodder and livestock and reduce flooding in the plains below, an outlay of Rs. 229.50 crores has been provided for the 10th plan.

Farm Forestry—This scheme aims at increasing the tree cover in the state by way of planting trees along the field boundaries and other available lands of private people. Saplings of such plantations are provided to the public by the forest department at subsidized rates. An outlay of Rs. 250 lakhs has been provided for the 10th Plan. 207

Also the World Bank—aided Integrated Watershed Development Project (Hills)-Punjab phase I was started in 1989 and Phase II from 1.4.1999. 208

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207 Ibid., pp.25-30.
208 Ibid., p.213.
Others

- Punjab literacy rate has improved from 43.37% in 1981 to 58.51% in 1991 to 69.6% in 2001 which is higher than the National average of 64.84%. Sarva Shiksha Abhiyan is operational in Punjab and the state government has adopted the concept of Jansampark Abhiyan. In this programme officials have fanned out to all 216 educational blocks of the state to monitor the implementation of the Sarva Shiksha Abhiyan and other programmes. For Sarva Shiksha Abhiyan an amount of Rs. 625 crores has been provided as state share in the 10th Five Year Plan.

- Social Security - Under the social security and welfare sector most of the schemes being implemented are related to provide social security to weaker section of the society and major part of the allocation goes to pensionary schemes. Welfare of women, children, old-age pension and handicapped persons are important programmes being run by the state Government. The Janshri Bima Yojana was launched by the Government of India for the upliftment of economically weaker section and it is the only social security scheme presently enforced under the social security segment and covers the people working in various occupations and living belong poverty line in both rural and urban area. The people marginally above poverty line are also to be covered under the scheme. The funds under the National Family Benefit Scheme were sent by the Government of India directly to the Chairman District Level Committee. But now funds are to be routed through State Plan Schemes. There are also other schemes like Old age pension, National Old age Pension, improvement in the working of Anganwari and providing equipment, construction of Mahila Bhawans/promotion and strengthening of Mahila Mandals/empowerment of women self help groups.

210 Ibid., p.105.
211 Ibid., p.12.
212 Ibid., p.184.
4.4.3 Decentralised Institutions

In the case of Punjab, the government passed fresh legislation, constituted a separate Election Commission and Finance Commission and held elections to the village panchayats, panchayats samitis and zilla parishads in 1993-94. Subsequently the government has also identified the schemes and selected the departments which were to be transferred to the PRIs by the beginning of 1997. Moreover a scheme for training Panchas and Sarpanch~ regarding better functioning of PRIs in the state has been provided for. An outlay of Rs.500 lakhs has been provided in the 10th Five Year Plan. This is a 50:50 sharing basis scheme between Government of India and state government.

J.R. Gupta and R.K. Bansal point out that there is a need for a more rationalized and optimum use of panchayat land. Another closely related issue with the optimum use of panchayat land and the raising of financial resources is the creation of Mini-Focal Points. As each block in Punjab is normally spread over an area of 20-25 thousand hectares of land, the creation of four or five focal points cannot serve the purpose of extending the basic facilities for all the villages of the block. The concept of Mini Focal Point refers to a number of facilities which need to be extended to some of the villages which are centrally located but lack the facilities required for the location of full-fledged focal point. The creation of Mini Focal Point has an advantage over the idea of full – fledged focal point as its cost would be considerably less. The idea of Mini Focal Point could be more beneficial for the overall development of the block as well. The shopping complex at the Mini Focal Point could serve as a base for generating employment opportunities for some educated/ semi skilled workers in the villages. Moreover it is very useful for the villages which do not have sufficient panchayati land.

217 Ibid., p 410.
However PRIs have also faced several problems. PRI leaders had even to file cases in the courts to issue directions to the state government to delegate executive, administrative and financial powers to PRIs in accordance with the provisions of the 73rd amendment. The ruling elite in the state has tried to retain power in its hand to prevent the empowerment of people at the grassroots.\(^{218}\) The ruling elite who generally dominate the panchayats are generally unwilling to tax themselves or their class. Even the most viable indigenous resources such as the village common land have declined due to either negligence or deliberate blinking by their owners i.e. the village panchayats. The major benefits from the panchayat lands have accrued to rich farmers at the cost of the landless poor or for that matter the small and marginal farmers. Interestingly, the lands reserved for the scheduled castes are also acquired by the landed farmers by depositing lease money in the name of scheduled caste or by paying a lump sum amount much below the value of the products to the scheduled caste allottee. In many cases, benami deals have been made.\(^{219}\) Meanwhile the state government in order to ensure people's participation in the development process, has accorded the highest importance to decentralized planning by constituting District Planning and Development Boards at the district level. These boards are looking after the implementation of the district level schemes. In order to further strengthen the process of decentralised planning, the constitution of District Planning Committees in each district and Metropolitan Planning Committees in each Metropolitan area of the state is under progress.\(^{220}\)

- Cooperatives

The Cooperative movement in Punjab has been acclaimed to have been more successful than anywhere else in India. Yet the Punjab cooperative societies are neither voluntary nor completely autonomous nor self sustaining. Cooperative societies are under the influence of the government through the Register, who is a Government official. The registrar's pyramid is like a government department with head office at the state capital and offices at district headquarters. In the state there are more than a dozen cooperative federations known by their acronyms as feds

Cooperatives have played a significant role in the economic development of the state. This movement has proved to be a boon for the agriculture sector which has gained much in the post green revolution period by availing the facilities of cooperative infrastructure, particularly ready and remunerative market for agricultural produce through creation of sufficient processing capacity pertaining to sugarcane, cotton and other agricultural produce. Today cooperatives have pervaded almost all spheres of life including supply of articles of daily consumption, housing, milk supply and industrial cooperatives. The primary agricultural credit, the kingpin of Indian Cooperative structure has helped the farmers tremendously in achieving the higher production of various crops besides saving them from the exploitative credit structure of money lenders. It has also helped in bringing the lenders and borrowers closer to each other. The New Economic Policy (NEP) has thrown the world to competitive patterns and it is assumed that New Economic Policy (NEP) may give a jolt to cooperative sectors for survival.

The major functions of cooperative agricultural services societies of various districts of Punjab have been to supply the agricultural inputs which include fertilizers of various types, insecticides, weedicides etc. Besides supply of agricultural inputs, societies also provide cash money to its members so that the agricultural operation goes smoothly. Supply of almost all kinds of consumer domestic goods to the members as well as non members of the societies is also an important function of most societies. Other functions of the societies include custom hiring services for agricultural operations, helping the farmers to get loan from the government agencies etc. Establishment of cooperative banks has been proving very useful to the farmers and also saving their time and energy.

However, there are constraints. One of the major constraints of the societies is imposition of government agencies like MARKFED, PUNSUP etc. for supply of

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222 Annual Plan 2003-04, op.cit., p.43.
agricultural input as well as domestic commodities. Most of these agencies supply the material of sub-standard quality to the cooperative societies that too in less quantity and the societies are forced to accept the material from these agencies. Moreover lack of proper infrastructure with the societies is also a major constraint because during the rainy season it becomes very difficult to keep the fertiliser and other domestic commodities safe. Another notable constraint has been the overcontrol of the government or bureaucracy and interference of petty politicians in the society's work. It is felt that the government has throttled the spirit of cooperation in these societies. Instead of making it people's movement, cooperatives have been becoming the agencies of government.224

Poor service conditions of the employees working with cooperative societies have become constraints in functioning of the societies. Easy availability of quality products in the open market is also posing competition. It is generally known that the MNCs have launched new products in the area of fertilizers, weedicides and pesticides and selling the products at very competitive prices posing threat to the functioning of cooperative structures. Factionalism prevailing in the rural areas is also a hurdle. Interference of the politicians particularly of the local ones further fuel the fire of factionalism.225

Now let us look at few of the main cooperative societies - MARKFED – the Punjab State Cooperative Supply and Marketing Federation Ltd.

MARKFED – Asia’s premier Apex cooperative institution MARKFED (established in 1954) is engaged in procurement of foodgrains on behalf of FCI, procurement and distribution of fertilizers/pesticides/agrochemicals, trading in cotton, processing of fruits and vegetables manufacturing of vansapati etc., It has 116 Cooperative Marketing Societies & 2907 Primary Cooperative Agricultural Service Societies as its members. It also takes the help of 19 Agro-Service Centres to perform its role. It has involved itself in running a sugar mill and also modern rice mills along with Korean Rice Mills. It tends to take up projects even when techno-economic viability and sustainability of projects is not fully established.

However, in procurement operations the real cooperative character of the Federation is not exhibited, as member societies do not purchase anything in the

224 Ibid., pp. 248-250.
225 Ibid., pp. 250-251.
villages without a commission agent. The market share of Federation in fertilizer is around 40-50%. It plays a marginal role in utilizing its marketing skills / storage infrastructure, grading and market information to help the member societies to increase the share of farmer in the retail price of foodgrains or through processing of food/vegetables/fruits. Even though the Federation has been engaged in processing of fruits and vegetables, it did not develop multi-chamber mutli-control cold storage alongwith cold chain by involving Cooperative Marketing societies. Thus the Federation has not developed a sharp focus in playing a meaningful role as a marketing Federation in agro-processing to promote crop diversification in oilseeds, pulses, fruits, vegetables and flowers.  

MARKFED manufactures a wide range of products under the brand name ‘Sohna’ and among its most popular products are sarson ke saag and Basmati Rice. These products have found ready acceptance in both domestic and international market. Punjab State Federation of Consumers Cooperatives Wholesale Stores Limited (CONSTOFED), a sick cooperative organization was merged with MARKFED on 2001 as per the directive of Registrar Cooperative Societies, Punjab and all the liabilities were based onto MARKFED. MARKFED’s profitability exhibited fluctuating trend and its profits sharply declined from Rs. 17.50 crores (99-2000) to Rs. 4.64 crores in 2000-01 due to increase in overheads, employee cost, interest cost and other related losses in food procurement activity. The operational expenses are increasing at a higher rate than the operational income.

SUGARFED - The Punjab State Federation of Cooperative Sugar Mills Ltd (SUGARFED) is an apex body federating 15 cooperative sugarhills in Punjab. Sugarfed exists to organize, facilitate and coordinate the working of the cooperative sugar mills by providing technical know how and other aspects in the selection, purchase, installation and maintenance of plant and machinery and other equipment including expansion proposal, cogeneration and downstream industrialization. Sugarfed’s mills and the Punjab Agricultural University research farms offer treated seeds.

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228. The Punjab State Cooperative Supply and Marketing Federation, [art.cit.](http://punjab.govt.nic.in/government/govt774.htm)
MILKFED - Punjab State Cooperative Milk Producers Federation Limited (established in 1973) – has twin objectives of providing remunerative milk market to the milk producers in the state by value addition and marketing of produce on the one hand and to provide technical inputs to the milk producers for enhancement of milk production on the other hand.\footnote{Punjab State Cooperative Milk Producers Federation Limited (2005), \url{http://milkfed.nic.in/about.htm}}

Annual Plan of Punjab 2003-2004 talks about certain Schemes that have been initiated in the cooperative sector.

- **Integrated Cooperative Development Project** - (CSS – State share) This scheme is meant for the development of Primary Agricultural Service societies, primary Agricultural Marketing Societies, Horticulture, Handloom Societies, Water Users Societies, Dairy Societies, Banking Societies and Central Cooperative Banks etc. An outlay of Rs. 652.85 lakhs has been provided under the scheme for the 10\(^{th}\) Plan.

- **Rehabilitation Package for revamping of the Cooperative Credit Structure** – This new scheme has been included in the Tenth Plan with a token provision to remove the imbalances in the short term co-operative credit structure in the state.

- **Financial Assistance to Dairy Cooperatives to meet out their losses (50:50)** It is a 50:50 sharing Centrally Sponsored Scheme between the Centre and the state. An allocation of Rs. 22.26 crores has been provided under the scheme for the 10\(^{th}\) Plan.\footnote{Annual Plan 2003-04, \textit{ibid}. pp.43-45.} It aims at assisting the district cooperative milk unions which are saddled with accumulated losses and have not been operating in a viable manner.

- **Non Governmental Organisation**

  Unfortunately the NGOs and other local level community institutions are missing from the state altogether. In fact there is no state farmers’ organization in the state other than state sponsored cooperatives for the distribution of inputs and procurement of produce, many of whom are also in the red and are not member based. So there is need as Sukhpal Singh says for institutional and organizational
innovation in the state's rural sector. All NGOs working for upliftment of rural people should be supported. In fact Punjab is way behind many other states in this respect. Important social issues can only be addressed through the NGOs.

4.5 West Bengal

4.5.1 Food Absorption

In order to analyse food absorption in the state of West Bengal, the following are being considered.

- Nutrition

The West Bengal Human Development Report points out that per capita foodgrain consumption declined from 476 gms per day in 1990 to only 418 gms per day in 2001. The NSS data also suggest that even aggregate calorific consumption per capita declined from just over 2200 calories per day in 1987-88 to around 2150 in 1999-2000. However the per capita consumption in West Bengal of cereals appear to be significantly higher than the all India average. In the case of cereals, tubers & fish, per capita consumption in West Bengal is also well above the recommended daily allowance of the ICMR. The data on nutrition overall indicate that the average level of nutrition in the state, and specially among women is relatively low by several criteria. However malnutrition among children is lower than the national average & severe malnutrition is also low, suggesting that distribution is better than most other states. The nutritional status of children in the age-group of under 3 years is better in West Bengal as compared to the all India average & West Bengal ranks 6th among the major states in India.

The overall anaemia status of children in West Bengal is very poor as the state ranks as low as 19th among 25 states. The proportion of children with anaemia (78%) is higher compared to the all India average of 74%. The situation is worse in the rural areas. Such nutritional deficiencies among children have important negative effect in terms of health & capability patterns of these future adults. The nutritional status of women is a source of some concern too since it seems to be significantly worse than

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234 Ibid., p.127.
the national average. In a survey conducted by the National Nutrition Monitoring Bureau, West Bengal ranked eighth among 9 states in important variables such as chronic energy deficiency among women. Also compared with the national average of 52%, 63% of every married woman in the state was characterized as having iron-deficiency anaemia in 1998-1999. Anaemia & iron deficiency among women and girls are major problems. Again rural women tend to be worse off. Anaemia is a critical problem in the state and needs to be tackled properly. West Bengal has the highest per capita production of vegetables in India (438.77 gm) against the ICMR recommended daily allowance (RDA) of 125 gms. However the per capita consumption is only about 63 gms per day. This gap between production and consumption needs to be looked into as this can be used to prevent micronutrient deficiencies in rural as well as urban areas. The prevalence of malnutrition is possibly a major cause for certain health problems in the state.

However in terms of other nutritional supplements West Bengal is not so badly off. The West Bengal Human Development Report says that the prevalence of malnutrition is possibly a major cause for certain health problems in the state. The evidence therefore points to certain areas of public intervention that can be usefully pursued such as the provision of sanitary facilities and campaigns to improve food consumption practices to ensure adequate nutrition. It also indicates that service delivery needs overall improvement at all levels.236

- Health

As in other parts of India, the Public Health System in West Bengal has been undermined by recent global and macroeconomic processes which have effectively reduced the ability of the state government to ensure access of the people to safe, timely and effective health care. Both preventive and curative dimensions of health care have been affected by the fiscal constraint upon the state government, which has reduced its ability to make much-needed health expenditure. The very large responsibility and coverage of the public health system in the state are evident from the fact that 76% of the health institutes in West Bengal are run by the

235 Ibid., pp.125-126.
236 Ibid., pp.129-130.
government. The State Health System Development Projects are under implementation in West Bengal with World Bank Assistance. The focus of this programme is on strengthening the health care delivery system at secondary level and integrating it with the primary health care delivery system for improving healthcare services.

IMR – The IMR for West Bengal has reduced from 95 (1961) to 49 (2002) to 46 (2003). It is lower than the national average of 60. As per the Human Development Report in the period 1994-96 the rate of reduction of the IMR in West Bengal was more than four times that of the national average. In the subsequent three year period 1996-1998, the IMR for all of India was stagnant, showing no improvement at all whereas in West Bengal the IMR declined by 3.6% over this period. Although IMR is better than the national average, it is very high as compared to Kerala (IMR being 10 in 2002).

Life Expectancy – it was 63.3 for males and 64.8 for females at birth, overall was 63.9 for the period 1998-2002. The figures are higher than the national average of 61.6, 63.3 & 62.5 respectively.  

The current aim of the state government is to involve PRIs in creating community health consciousness and also to take over some of the more basic activities of the Primary Health Centres which currently are still run in a centralised way from Kolkata. Some measures are being planned. They are:

- The state government plans to introduce Community Health Workers, chosen from among the membership of the gram Sansads who would be paid a nominal amount by the state government in addition to receiving contributions from the community.
- The purpose would be to encourage the spread of basic health information among the community.
- Some of the Primary Health Centres are proposed to be downgraded to subcentres to focus more resources on the spread of secondary level services.

237 Ibid., p.134.
even in villages. The public health system requires increased funding and more local accountability.242

The Tenth Plan necessitated reviewing the status of the state of West Bengal with regard to the different parameters of health & family welfare. The assumption that every society endeavours to take care of the health related issues on its own without depending exclusively on the external agency, prompted the Panchayats and Rural Development Department, Government of West Bengal to launch a planned intervention entitled, “Community Health Care Management Initiative” to usher in a convergence of services at the community level. The focus of this novel intervention is the process of promoting community involvement in health care management through awareness generation programme and capacity building exercises, while ensuring delivery of services at the community level. It is for this purpose that an integrated action plan in the form of 'Community Health Care Management Initiative', involving the Health & Family Welfare Department, the Women & Child Development and Social Welfare Department and Panchayati Raj Institutions has been launched with effect from January, 2004 with substantial support from UNICEF.243

The strategy of operationalising CHCMI consisted of a combination of extensive and intensive area intervention. The extensive area approach proposed to cover all blocks in the district with a package of services and facilities; whereas Pilot Intervention phase of the initiative concentrated on a few (2 to 4) selected gram panchayats for intensive action programme involving the communities, especially self-help groups. To begin with, in the first phase 49 gram panchayats were identified in 18 districts as part of the intensive intervention (Pilot Project). However, for extensive intervention all Blocks and gram panchayats in each of the 18 districts were to be covered to the extent possible. Gradually in 18 districts of the state altogether 50 Blocks with 500 gram panchayats were to be brought under intensive interventions by the end of 2004-05.244

244 Ibid.
- Water supply and Sanitary Programmes

The state government decided to launch the Rural Sanitation programme in collaboration with several agencies in Medinipur in 1990. This programme met with a unique success. While the panchayats played an exemplary role in creating awareness amongst the people about the need for adopting some basic minimum hygienic practices, the people themselves took up the plan with the active help of NGO viz Ram Krishna Mission Lokshiksha Parishad. The UNICEF also came forward as a great facilitator.  

The success of the Medinipur experimentation encouraged the state government to integrate this programme with the centrally sponsored one in 93-94 and spread it all over the state. The UNICEF continued to remain as an important partner in this programme. The implementation of the programme throughout the state was not an easy task. Involvement of all the partners had to be synchronized and most importantly dedicated NGOs had to come up with efficient Sanitary Marts. So in the year 1993 the work began in 14 blocks outside Medinipur. Since 93-94 the programme has been making steady progress, albeit a little, slow at the beginning.

Though the state can reasonably claim to be far ahead of other states in implementing this programme, yet the performance has not been good enough to achieve full coverage throughout the entire state in near future. Therefore with financial assistance from the Central Government, Total Sanitation Campaign has been taken up in nine districts in the first phase and another five districts in the second phase. The implementation strategy and other conditional ties remain as before. In West Bengal there are about 48300 Primary schools in rural areas and at present sanitary facilities are available in about 40% schools and about 70% are having drinking water facilities.

As per the Economic Survey 2005-2006, if one looks at the status of coverage of habitations under rural water supply (as on April 1, 2005) then one observes that

246 Ibid.
out of the total of 79,036 villages, all 79,036 were fully covered. The percentage access to safe drinking water in households in the state has improved from 69.7% in 1981 to 82% in 1991 to 88.5% in 2001. Thus it has improved over the years and it is higher than the National average of 77.9% in 2001. However the data on morbidity among the general population indicates a very high incidence of jaundice. This is a disease which is affected by the availability of safe water and sanitation so there is definitely a need for public health intervention. Also arsenic contamination of ground water in West Bengal is a problem. Nearly 17 lakh people in the state have been diagnosed with arsenic-related skin manifestations. The increasing use of tubewell water to provide drinking water as well as for sanitation and irrigation means that this is an urgent problem requiring immediate public intervention. There are currently various experiments under way designed to improve water management in the drought prone district (such as the water harvesting project in Purulia) although these are still in the nature of micro-initiatives rather than more widely based and systematic state-government strategies.

4.5.2 Developmental Schemes enhancing Food Security

Rural development policy of the Left Front Government is guided by the philosophy of what may be called redistribution before growth to ensure growth with social justice. The policy has three broad objectives. In the first place it aims at involving the people not only in the process of implementation of development programmes but also in the process of preparation and monitoring of development plans by building up decentralized structures at the grassroots level. Secondly it seeks to bring about a change in the correlation of class forces in favour of the poor and working people involving them in an organized manner in the process of development. Thirdly it attempts to raise class consciousness of the people through radicalization of political processes and politicisation of development. Two important features characterize the rural development process in West Bengal.

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250 Ibid., p.133.
namely curbing the power of the bureaucracy as far as possible within the framework of Indian constitution and horizontal mobilization of the masses. 251

Since the early 80s the PRIs in the state have been busy with rural development. Although the Union Government introduced the development schemes, the financial burden is borne primarily by Union government and to some extent by the state government. The actual implementation is done by the PRIs with their decentralized structure and local level bureaucracy. The panchayats have been getting a special scope to keep themselves alive (with lakhs of rupees being poured into villages in the name of rural development). This clearly explains as Moitree Bhattacharya says the particular reference to rural development while analyzing the activities and achievements of PRIs in West Bengal. Infact so strong is the relation between panchayats and rural development that it is being questioned nowadays as to whether the panchayats will survive if the government withdraws the rural development schemes. 252

Panchayat and Rural Development Department is the nodal agency for implementation of poverty alleviation programmes in the rural areas of the state of West Bengal that comprises 18 rural districts including Darjeeling Gorkha Hill Council and Siliguri Mahakuma Parishad. The Department also organizes community action for rural planning and development through the elected panchayat bodies at different levels. There have been various schemes undertaken in the field of rural development. 253

-Poverty Alleviation and Employment Generating Programmes

Swarnajayanti Gram Swarojgar Yojana (SGSY)

The progress of the state under SGSY during first three years upto 2001-02 was a bit lower than some other states of the country. The main reason was that more emphasis was given on formation of good quality groups especially for women,

252 Bhattacharya, Moitree (2002), Panchayati Raj in West Bengal, New Delhi, Manak, p. 76.
which being process intensive took some time. Situation started improving from the year 2002-2003 and Rs. 53.55 crore was spent during that year against an allocation of Rs. 52 crores. 67921 groups had been formed up to November 2003 under SGSY since inception and efforts were made so that all the groups could take up some micro enterprises by 2003-04. Infrastructure and appropriate skill are the two key factors to facilitate growth of micro enterprises and related economic activities for which special attention has been given. During 2002-03 the state could incur an expenditure amounting to Rs. 7.60 crore on account of Infrastructure Development schemes. Birbhum DRDC constructed Progeny Orchard and constructed market complex for the SHGs and Murshidabad DRDC also constructed one market complex for agricultural products at Mankara. Paschim Medinipur DRDC constructed training hall, workshed and Marketshed for the SHGs. The Bankura DRDC took up one irrigation scheme and also constructed one seed godown and Sonamukhi. These are some of the illustrative items of infrastructure developed in the state during 2002-03. The department engaged NIFT to upgrade the skill of the women artisans of Birbhum district and tie up in the field of marketing under a special project amounting to Rs. 94.38 lakhs approved by Government of India. 2000 families will get the benefit of skill upgradation under this programme. The Government of India also sanctioned Fund amounting to Rs. 5.59 crores for promoting the cluster and thereafter federation of SHGs in 15 blocks of 8 districts namely Howrah, Hooghly, Birbhum Burdwan, Purba Medinipur, Paschim Medinipur, Jalpaiguri and Cooch Behar. The federation will provide the financial services and non-financial services including credit and social welfare services. The objective to promote federation was to bring all the members of the SHGs under one umbrella in order to provide them all services by the federation. This is a holistic programme covering all aspects of self-employment such as organization of the poor into SHGs and providing them training, credit, technology, infrastructure and marketing opportunities. 254 This objective is to be achieved by organizing the rural poor in SHGs through a process of social mobilization and augmenting their capacities through managerial and skill training and assisting them to acquire income generating assets through a mix of bank credit and government subsidy. 78,985 such groups involving nearly eight lakhs of

254 Ibid.
rural poor were organised till the end of the year 2003-04, which included 20233 number of groups formed during the year.

Out of these groups 40,357 groups qualified in grade-I test as prescribed in the programme within that period. However, such cash credit account, which has ceiling up to an amount equal to about four times of groups own saving and subsidy and revolving fund of Rs 5,000/ or more from DRDC could be opened by the banks in respect of 28300 groups only by the end of the year 2003-04. The cash credit account enables the members to start generating assets in small scale after getting loan from bank. This resulted in additional income to the member of those groups. Apart from these groups there are 5417 groups, which have qualified in Grade-II test, which measures their capacity to utilize heavier doses of bank loan. Many of them got project loan from bank and subsidy from DRDCs for the project selected by them and after being properly trained. During the year 14775 number of individual beneficiaries and 12423 number of SHGs were assisted with Rs 3516.23 lakh of bank loan and Rs 2116.89 lakh of subsidy. During the year 2003-04 an amount of Rs. 9.89 crore was utilized for infrastructure development as compared to an amount of Rs.7.52 crore utilized during the previous year. Providing skill training to the rural poor for taking up economic activities is an important component of the programme. An amount of Rs 361.08 lakh was spent for that purpose during the year as compared to Rs.101.07 lakh spent on the previous year for the same purpose. In terms of percentage of expenditure only 5.04 % of total expenditure was spent on skill training in the year 2003-04, which was higher as compared to 1.08% spent on skill training during the previous year. Most of the training imparted was very traditional. Though a sizeable number of SHGs have been formed under SGSY, qualities of the groups requires improvement. To overcome the drawback Panchayat & Rural Development Department has taken up a special project on capacity building with the assistance of Government of India. This project has been started in six districts namely Coochbehar, Jalpaiguri, Malda, Murshidabad, Hooghly and North 24-Parganas where Grade-I passed groups will be trained afresh on group management and financial management with the help of experienced NGOs. Under this project, separate training will also be organised for PRI representatives, Bankers and Block officials connected with SGSY programme. Training modules for different category of people have been developed. Special project on federation of women groups was started since May
2003 in 15 pilot blocks covering eight districts to provide financial and non financial services including credit and social services to women SHGs in order to bring holistic development of poor rural women. The main goal is to bring all women SHGs under one umbrella and to empower them. Formations of mahila banks at block level are also envisaged in this project. Till the end of March 2004, 116 clusters of around 3000 groups had been formed in fifteen blocks. The office bearers of all those clusters were also trained during the period. In the year 2003-04, Rs.53.10 crore was spent on SGSY programme which is 64.53% of total allocation during the year.255

Upto the end of 2003-04, 78985 SHGs were formed. The number of swarozgaries covered under SGSY was 27198 in 2003-04. In 2004-05 upto Nov 2004, 14910 swarozgaries benefited under SGSY. Since inception till the end of Nov 2004, 98584 SHGs had been formed under SGSY.256

**Sampoorna Gramene Rozgar Yojana (SGRY)**

During 2003-2004 Burdwan received the full amount of fund and foodgrains both under SGRY-I & SGRY-II as per allocation. Cooch Behar received additional dose of Central Assistance (fund & food grains) both under SGRY-I & SGRY-II. District of Bankura & SMP received additional Central assistance (fund & foodgrains) under SGRY-II. On the other hand South 24 Parganas & DGAHC failed to send proposal for release of 2nd instalment of resources under SGRY-I during 2003-2004. Performance of other districts was in between those two extremes. Implementation of the scheme suffered set back due to engagement of the implementing functionaries in the Panchayat General Election, 2003 and formation of the three tiers of the panchayat bodies from February to August, 2003. Non-delivery /inadequate supply of rice from FCI also contributed to poor performance under the programme. In fact against total 385942.39 MT of food grains to be lifted during the year only 298285.41MT of foodgrains could be lifted during the year leading to loss of total availability of resources under the programme, in spite of taking up the issue with the FCI and the Government of India.257 In 2003-04 under SGRY I 212.77 lakh mandays of

employment were generated. Of this 120.11 lakh mandays were for Scheduled Castes and Scheduled Tribe beneficiaries which was 56.45% of the total mandays of employment generated.

Under SGRY II 233.40 lakh mandays of employment generated. Of this 139.62 lakh mandays were for Scheduled Castes and Scheduled Tribe beneficiaries, which was 59.82% of the total mandays of employment generated. In 2004-05 upto November 2004 under SGRY (by merging two schemes) 295.13 lakh mandays of employment were generated of which 174.08 lakh mandays were for Scheduled Castes and Scheduled Tribe beneficiaries. Thus the share of Scheduled Castes and Scheduled Tribe beneficiaries was 58.98% of the total mandays of employment generated under SGRY. 258

- Direct Food Based Programmes

Antyodaya, Mid day Meals, ICDS have been operational in West Bengal.

According to West Bengal Human Development Report 2004, for midday meals, the expenditure incurred was 1.5%, for teachers training 0.4% and for inspection 1.6%. There are currently more than 2000 schools providing mid-day meals and this number was likely to reach 5000 by the end of 2004. The problem of finding finances to support a mid-day meal programme for all the children in public schools at elementary level, still remains a difficult one. Besides the financial cost (currently an additional estimated Rs. 600 crore per year) there is the associated infrastructure requirement in utensils, centralized kitchen etc. The West Bengal Human Development Report says that a National Fund is necessary to ensure mid-day meals for children in government schools in all states. 259

ICDS – 354 ICDS projects have been made operational in both the rural and urban areas through 53682 Anganwadi Centers. Nearly 40 lakh children of the age group 0-6 years and their mothers are receiving various types of benefits from this scheme. The World Bank assisted project – UDISHA is in operation in this state.

along with other states in the country. Under this project elaborate training is given to
the ICDS functionaries like anganwadi workers, helpers, supervisors etc. 5455
anganwadi workers have been trained. Purulia and Jalpaiguri are the two districts that
have been identified for implementation of the project under which foodgrains to
undernourished pregnant and lactating mothers and adolescent girls are provided
through the ICDS set up. The project will be financed out of the union government’s
Special Additional Central Assistance (SACA) Fund. The PMGY is also now being
implemented through ICDS projects in rural areas. Under the scheme take home
ration of rice and dal are supplied through Anaganwadi centres twice a month for
supplementary feeding to the children below three years of age. The state government
has taken up a programme of constructing Anganwadi Centres with the assistance
from RIDF. 260

- Rural Infrastructure

The Government of India introduced the Pradhan Mantri Gramodaya Yojana
–PMGY- (Grameen Awaas) in 2000 which is operational in West Bengal.

Under Pradhan Mantri Gram Sadak Yojana, the Government of India cleared
project proposals worth Rs. 140 crores for the package under 2000-01 at the end of
March 2001, and in May 2002, in two batches involving 174 road-schemes with a
total length of 826.32 KM. Out of 174, 4 road-schemes have been declared abandoned
having accessibility problem. 170 road – schemes were completed having road length
of 808.91 KM upto 31st March, 2004. 261 The roads under Zilla Parishads in West
Bengal registered a very impressive increase over the last two decades, from 270.84
km per 1000 sq. km in 1977-78 to 349.03 km per 1000 sq. km in 1997. No such
decentralization took place at the all India level. With respect to Municipal roads,
roads under urban authority of self-governance, the performance of West Bengal
also appears to be better than those in other states. In terms of village connectivity,
56.55% of the villages in India were connected by roads in 1995-96 according to
data provided by the CMIE. The corresponding figure for West Bengal at that time
was 48.67% which makes it one of the poorly performing states in this regard. This

means that more than half of the villages in West Bengal lacked connection by roadways in the mid 90s. This obviously has important implications for the provision of a range of basic service and utilities as well as health and education infrastructure. However, the census village directories provide a slightly better impression of the extent of village connectivity.262

The Human Development Report of West Bengal 2004 points out that the rank correlation of per capita income with the total roads controlled by zilla parishads is very high. Further the rank correlation of the extent of zilla parishad roads with the HDI index is even higher. It is possible therefore, that the intervention that took place in West Bengal for development of roadways through the institutions of participatory local government had a strong positive impact on the economic well being & human development of the state particularly in its rural areas. Obviously much needs to be done in this regard. Rail connectivity is good but road transport connections are only moderately developed. Infrastructure provision still remains an important issue with direct links to achieving better economic growth and improved human development conditions.263 Providing electricity has proceeded more slowly than in the rest of India: in 1991 only 33% of all households in West Bengal had electricity connection compared to 42% for all India.264

Rural Infrastructure Development Fund (RIDF)-is provided for implementation of scheme for development of infrastructure in rural areas with loan assistance from NABARD to the extent of upto 90% of the total project cost with budgetary support for the remaining portion of the project cost. Also under Rural Housing are the following schemes

- Indira Awaas Yojana
- Pradhan Mantri Gramodya Yojna (Gramin Awaas)
- Credit-cum-subsidy scheme.

However the Credit-cum-subsidy scheme has been discontinued from 2002-03 mainly in view of the fact that there is lukewarm response from the beneficiaries.

263 Ibid., pp.84-85.
264 Ibid., p.9.
- Programmes for Development of Natural Resources

The following programmes have been operational in West Bengal

- IWDP (Integrated Wasteland Development Programme)-13309.11 hectares of wasteland was developed under five projects in the districts of Bankura, Purulia and the DGHC area of Darjeeling under the previous guidelines of IWDP. IWDP is now governed by the revised guidelines of Watershed Development Programme which has become effective w.e.f. 1.9.2001. The project at Kanksa in Burdwan was sanctioned in 2001-02 at a cost of Rs. 327 lakhs for an area of 5500 hectares and first installment of fund of Rs. 49.10 lakhs was released and expenditure upto 31st March 2004 was Rs.38.58 lakhs and the area treated was 628.37 hectares.

- Watershed Development Programme under Watershed Development Fund (WDF) of NABARD - Ten projects in the districts of Bankura, Purulia, Burdwan, Midnapore (West) & Birbhum for a total area of 6196.53 hectares (app.) have been taken up with NABARD assistance. These are grant-cum-loan projects. All the capacity building projects (CBP) which are components of the main projects have been sanctioned by NABARD and a total sum of Rs. 23.27 lakhs has been released as grant by NABARD. Capacity Building Project for Bankura – I (2 projects) Block in Bankura and Kashipur (3 projects) in Purulia have been completed. Full-scale implementation of these projects has been sanctioned by NABARD. Five additional micro watersheds in Bankura and Purulia (in Bankura-I and Kashipur Blocks respectively) and four in Birbhum (in Md. Bazar Block) have been sanctioned by NABARD.

- Watershed Development Programme taken up under EAS- For ongoing watershed development projects taken up under EAS prior to 1.4.1999, the

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Government of India has released a sum of Rs. 965.88 lakhs for the two districts of Bankura and Purulia. State share released for that purpose was Rs. 321.96 lakhs. Total expenditure upto March 2003 has been Rs. 950.43 lakhs. Total fund received by Purulia was Rs. 1259.68 lakhs (expenditure Rs. 1129.85 lakhs) and by Bankura – Rs. 28.16 lakhs (expenditure Rs. 28.03 lakhs). Guidelines for Watershed Development Programme have been revised and a new initiative named ‘Hariyali’ has been launched with effect from 1.4.2003. The guidelines will be applicable to IWDP and DPAP in the state. The salient feature of the guidelines is that the responsibility for implementation of the projects has been given to the gram panchayats instead of Watershed Association.266

- Others

  • Education-In the past decade, the state government has been making concentrated efforts through various special schemes, such as ‘total literacy campaigns’, ‘non-formal education’ etc, apart from formal schooling for children to achieve the goal of ‘education for all’ as soon as possible. As a result, (according to Census) the literacy rate in West Bengal has increased from 48.6% (1981) to 57.7% (1991) to 69.2% (2001) higher than the National average of 64.84%. It is encouraging that the largest improvements in literacy in the past decade have been in some of what were the most ‘backward’ districts and especially among females. Households consisting of the self-employed in agriculture show the highest rates of literacy for men and women in rural parts of the state.267 Sheer lack of physical infrastructure and facilities is a major bottleneck on the expansion of primary education facilities in the state.268 The plan expenditure of the education department as a percentage of the total plan expenditure of the West Bengal government has remained constant around 7% to 8% during 1980-81 to 1993-94 and declined substantially in recent years.269

268 Ibid., p.156.
269 Ibid., p.159.
- Also the West Bengal DPEP (Funded by the Department for International Development, UK) was launched in 1997-98 with the objective of supporting the public education system, and the Shishu Shiksha Karmasuchi, a new system of alternative schooling, was launched in 1997.270 The Panchayat and Rural Development Department assigned the responsibility of implementing the programme to a Mission created in December 1999 in the name and style of Pashcim Banga Rajya Shishu Shiksha Mission (PBRSSM). The PBRSSM is supposed to operate with the help of the zilla parishads. The programme was adopted as an EGS component of the Sarva Shiksha Abhiyan by the Government of India and financial assistance from the Government of India was received for the programme under certain terms and conditions.271 The Sarva Shiksha Abhiyan will enter into its 5th year with wide coverage of both primary and upper primary education as in all the districts of West Bengal with the following objects: (1) Universal enrolment by 2003 (2) Universal retention at the primary education by 2006 (3) Universal retention at elementary level by 2010. Till December 2004, Rs.295.09 crores had been sent under SSA programme.272

- Social Security - The Department of Panchayats and Rural Development with full involvement of the PRIs also administers Social Security Programmes under National Social Assistance Programme (NSAP) namely National Old Age Pension Scheme (NOAPS) and National Family Benefit Scheme (NFBS). The programmes sponsored by the Government of India aim at providing social security to the vulnerable & poverty ridden section of the rural population. Besides, similar social security programme conceived and funded by this state government namely Provident Fund Scheme for Landless Agricultural Labourers (PROFLAL) is administered by this department. During the year 2003-04 an amount of Rs. 3444.96 lakhs had been spent for payment to 309896 beneficiaries under NOAPS and under NFBS during the year 2003-04, an amount of Rs. 737.07 lakh were spent for assistance to 7332 beneficiaries.273

As in most other parts of India, social security schemes are relatively underdeveloped in West Bengal. It has already been noted that employment patterns have entailed a shift towards more casual and less protected work at the margin and there is very little in the form of unemployment benefit. However the state government caters to some beneficiaries through some social security services. These include pensions for disability, widowhood or old age which is currently being provided to more than 52,000 beneficiaries at the rate of Rs. 500 per month. 274

4.5.3 Decentralised Institutions

Panchayats

The three-tiered panchayats constitute the foundation on which stands the entire edifice of rural development in West Bengal. The gram panchayats (which function at the grass-roots level and are in direct touch with the people), carry the responsibility of implementing various development programmes, projects and schemes at the village level in terms of identification of beneficiaries, location of project sites etc. They are informally, though significantly associated with the peasant organisations. The panchayat samities (PS) and Zilla Parishads are responsible for adoption and implementation of schemes and measures for development of agriculture, cottage industries, water supply, irrigation, execution of any function assigned by the state government and coordination and implementation of development plans, schemes, projects and programmes relating to the development policy of the state government at the block and districts respectively and through various standing committees. 275

Panchayati Raj has been able to play a crucial role in social change and economic development. This has become possible as S.N. Ray comments due to four distinct but inter-related factors (1) administrative decentralization (2) decentralization of political power (3) Participatory democracy at the grassroots level & (4) the role of the local self government institutions in comprehensive rural

275 Basu, Jyoti, op. cit., p. 68.
development through Operation Barga and land reforms. The main focus of the West Bengal Government’s policy regarding panchayat raj has been three fold namely

a) acceleration of organizational development
b) development of human resources and
c) effective implementation of various rural development programmes including the central and state sponsored comprehensive, integrated rural development programmes through the three tiers of panchayat bodies.

The empowerment of the people, democratic decentralization and participatory management processes are the three planks of the three tier panchayat raj system in West Bengal.  

The gram panchayat members in order to discharge better the rural development functions divide themselves into ten ‘working groups’ in the model of the Sthayee Samities (Standing Committees) of panchayat samitis & zilla parishads. These are:-

(1) Finance, Development & Planning
(2) Public Health
(3) Public Works and Transport
(4) Agriculture, Irrigation and Corporative
(5) Education, Culture & Information
(6) Small scale industries, Rehabilitation and Welfare
(7) Forest & Land Reforms
(8) Fisheries and Animal Resources Development
(9) Electricity
(10) Food and Public Distribution Development activities of the gram panchayats may be grouped into three sections.

- employment generation activities
- activities regarding overall development of villages
- social welfare activities

The introduction of mandatory village constituency (Gram Sansad) meetings have played a significant role in the following areas

277 Bhattacharya, Moitree, op.cit., pp. 88-89.
a) discuss local needs, suggest new programmes and allocate existing funds among competing needs
b) discuss selection of beneficiaries of anti-poverty programmes and logistical issues concerning sanctioned schemes
c) monitor and review the performance of elected representatives regarding the implementation of public projects and use of public funds.

They also have access to the accounts of expenditure and are able to question elected officials for the use of public funds and implementation of public projects.278

West Bengal Human Development Report 2004 states that panchayats in West Bengal were entrusted with the management of rural employment programmes—first the Food for Work, then RLEGp (Rural Landless Employment Guarantee Programme) and more recently the Jawahar Rozgar Yojana—as well as various other schemes and projects in the rural areas. In 1980 the West Bengal government entrusted the panchayats with the implementation of as many as 27 rural development programmes. The list included some of the major development programmes of significance such as Rural Reconstruction programme, Rural Water supply, Rural Housing Scheme, distribution of mini kits for agriculture etc. Panchayat members were instructed to be concerned with and even be responsible for management of the following activities: forestry management and land reclamation, improvement in land use patterns and farming techniques, public health, rural diversification, monitoring of literacy campaigns, ensuring universal school attendance, monitoring the PDS for food, monitoring the IRDP, organizing the repair and expansion of rural roads etc.

What was of significance was the relative importance given to elected representatives rather than local bureaucracy which was much greater than anywhere else in India.279 Moitree Bhattacharya says that many of the beneficiaries of the programmes/schemes were selected after consulting the gram panchayats e.g. in West Bengal in the Employment Assurance Scheme, the gram panchayats were partially involved since 1997-98 by way of recommending to the panchayat samitis the name

of families who should be allotted this benefit. Also in IAY (Indira Awaaz Yojana), the gram panchayats are consulted in selecting beneficiaries.\textsuperscript{280}

However this aspect has come under criticism too. As the panchayats (controlled by the communists) chose the beneficiaries, unlike in other states where it is left to the administration, this indicates that panchayats may not be the most appropriate channel for allocating development aid to the lower classes. Distribution through the panchayats amounts to as Ross Mallick says giving development aid to the dominant political parties controlled at the village level by landed interests and it is probably for this reason that the Left Front has been so insistent on distributing aid through the panchayats rather than by the bureaucracy as this amounts to a form of patronage for and by its own rural supporters controlling the panchayats.\textsuperscript{281} The PRI structure is cadre based and below to top working is difficult. There appears to be a demarcation between areas where the panchayats are ruled by the Left and others.\textsuperscript{282}

The panchayat is virtually an arm of the party. Paromesh Acharya comments that panchayats in West Bengal are not village panchayats or people’s panchayats but party panchayats and village solidarity has been replaced by party solidarity and in the process, people’s initiatives have been throttled.\textsuperscript{283}

However, the West Bengal Human Development Report shows that PRIs in West Bengal have many more poor peasants and landless labourers than panchayats in any other states. There has been a substantial increase in the participation of women in the panchayats. The active participation of women in PRIs improves the local enforcement of the requirements of people, especially in terms of fair price shops that provide goods as specified and at prices that are specified. Several monitoring problems which have been noticed in schemes can also be reduced with more active participation and control of women panchayat members over the actual implementation.\textsuperscript{284}

\textsuperscript{280} Bhattacharya, Moitree, \textit{op. cit.}, p. 98.
\textsuperscript{282} Refer fn no.165.
Efforts have been made in the last few years by the PRIs to promote proper sanitation, irrigation and availability of drinking water and rural electrification. Some works on irrigation have been by gram panchayats using JRY money. Education is another responsibility of PRIs. Looking after health is the responsibility of higher tiers not of gram panchayats directly.

The gram panchayats may only supervise and help in running of health centres. Every gram panchayat within its area is supposed to have a Primary Health Centre and also subsidiary health centers. Although panchayats have been criticized, but many of them have done very good job by converting wasteland into social forestry plantations which yield some revenue. Panchayats also perform social welfare works like old-age allowance, widow pension, welfare of women and children. Gram panchayat members help by way of mobilizing mothers to send their children to anganwadis, making them aware of the need for regular health check up of children and pregnant women etc. Scope of activities of anganwadis is primary health, primary education, non curricular education etc. Since running of ICDS centres involves a lot of cost, this facility could not be extended to all blocks. Group Insurance for agricultural labourers have also been started.

However average attendance in the panchayat meetings have been on a decline and actual devolution of funds to panchayats has been limited. There have also been differences between the allocation made and the actual amounts released with consequent uncertainties. Jayati Ghosh comments that the PRIs can help if they have some clout. However devolution of resources are not taking place. In West Bengal PRIs did not have the option to choose areas in which they wanted to spend their allocated funds for development, the same were being communicated to them by higher authorities.

There are ongoing attempts to revive the decentralized planning process. The 'Community Convergent Action' programme has sought first of all to integrate the planning, delivery and monitoring of public services (especially in nutrition, 

286 Basu, op.cit., p. 81.
287 Bhattacharya, Moitree, op.cit., pp. 119-120.
288 Refer fn no.102.
education and sanitation) under the local panchayat and with active participation of the community. The programme was originally funded by UNICEF but subsequently has become part of the state government's own efforts without external assistance. The Community Convergent Action (CCA) is now operational in 40 blocks and it is intended to extend it to all blocks of the state within the next few years. Along with this, the state government has also decided to revive the process of decentralized planning from gram panchayat level upwards. 289 The gram panchayat plan will be in the nature of an area plan in which the different social sector programmes will converge to meet the development needs of the micro area. Emphasis will be on the balanced development of all the social and economic sectors and planning will be done in respect of six sectors namely education, health, women's development, agriculture, annual husbandry, fishery, cottage and small-scale industry and trade and infrastructure. 290

The Directorate of Panchayat and Rural Development supervises implementation of some of the rural development programmes and social security schemes. The fund for non-plan expenditure for panchayat bodies is routed through the Directorate. State Institute of Panchayats and Rural Development (SIPRD) has the following functions –

- Organises and imparts training of elected representatives of PRIs & functionaries of government & NGOs on issues related to Panchayats and Rural Development.
- Takes up research and case study on various ongoing developmental activities.
- Aids and assists the Department to formulate guidelines for various programmes, publishes communication materials for capacity building of functionaries at all levels.
- Provides consultancy to external agencies, organizes workshop, seminars etc for assimilation and dissemination of knowledge of experts, organizes off-campus training programme of NIRD and conducts exchange programmes among SIRDs as Regional Resource Centre of North-East.

In order to carry out aims and objectives of this Institute further, a society named as Society for Training and Research for Panchayat and Rural Development (STAR

PARD) has been set up. The society formulates methodology and directions for training and research on panchayat and rural development issues and allied activities and gives advice and financial support to the Institute. The society also receives external aids from international national level agencies for human resource development programme to be taken up by the society. The PRDD (Panchayat and Rural Development Department) has also established the State Rural Development Agency from 10th November 2004 and the West Bengal Panchayat Elections Act, 2003 has also come into force on 1st March 2004.

The Department for International Development (DFID), Govt. of UK commissioned in 2001, in consultation with Govt. of West Bengal, a Scoping Study with an explicit plan to support the ongoing initiatives of strengthening rural decentralisation in West Bengal. A Project Concept Note (PCN) for DSRD (DFID Support for Rural Decentralisation) was approved by Government of India and Govt. of UK. Subsequently the name of the proposed programme was changed from DSRD to SRD (strengthening Rural Decentralisation). The purpose of the 7-year SRD programme is to secure over time more effective, accountable, pro-poor rural decentralisation leading to sustainable reduction in poverty in the rural areas of the state. While designing the proposed project, it has been envisaged that one major strategy of the SRD Programme would be to strengthen and develop the capacity of the PRIs and other categories of people's institutions by various means and not to create any new structure that is not essentially required. Another major strategy would be to promote establishment and continuance of partnership among Government, PRIs, Civil Society Organisation and the people and devolution of more power and resources to PRIs and people's institutions, particularly at the grass root level. One more major strategy would be to develop and install participatory processes and sustainable systems in all spheres of rural development rather than to implement the SRD programme as yet another new set of schemes. The spirit behind the entire SRD initiative is that it is supportive and not parallel.

293 Ibid.
- Co-operatives

All types of cooperative institutions in this state function under the aegis of the cooperation Department and this being so, this Department plays a most vital role as a catalyst in the all-round development, administration and the business in the cooperative sectors.

Department Policies

(1) Dispensation of rural credit for agriculture and allied field to the small and marginal farmers.

(2) Development of infrastructure in credit extension to non-farm sectors including housing.

(3) Development of Agriculture Marketing and Processing societies and infrastructural development like establishment / modernization of cold storage and storage godowns.

(4) Development of Wholesale Consumers Cooperative Societies for distribution of consumers articles in rural and urban areas.

(5) Professionalization of cooperative societies.

(6) Propagating the cooperative movement, its utilities among the general people and providing training facilities to the employees of cooperative organization.

(7) Encouraging common people especially the weaker section with assistance to enroll as member of cooperative.

(8) Assisting the cooperative organization to ensure credit facilities from the national level cooperative organization.

(9) To promote democratic practices at grass root economic units.  

The major initiatives taken up have been the expansion and streamlining of marketing cooperatives, integrated cooperative development project (ICDP) in selected districts of this state, development of Management Information System (MIS) and computerization of cooperative infrastructure and finally share capital assistance to cooperative organization. The West Bengal State Cooperative Union arranges and imparts Cooperative Training and education through six training

294 Cooperative Institutions, Government of West Bengal (2005).
centres at Uttarpara, Jhargram, Jalpaiguri and Kalimpong. The cooperative sector is being increasingly recognized by the state government which has been assisting the cooperative sector in diversifying its activities by providing share capital assistance, interest subsidy, adhoc grants, loans for storage facilities etc.

The cooperative sector also plays an important role in promoting SHGs and in issuing of Kissan Credit Cards (KCC). According to the cooperative department of the state Government, till the end of August 2004, the cooperative sector had issued 764365 KCCs.

There are certain other types of cooperative societies under the administrative control of other departments viz Fisheries Department, Animal Resources Development Department. The list of Apex institutions are-

1. West Bengal Cooperative Agriculture and Rural Development Bank Ltd.
2. West Bengal State Cooperative Marketing Federation Ltd.
3. West Bengal State Cooperative Fisheries Federation Ltd.
4. West Bengal Milk Producers Federation Ltd. etc.

The West Bengal Cooperative Milk Producers Federation Ltd is trying to develop the dairy sector in the state with the active assistance of the state government. The state government has been encouraging the poor fisherfolk to form cooperatives.

- Non-Governmental Organisations

The state government had taken a policy decision to set up self-help groups as a major poverty alleviation initiative with a view to ensuring a robust economic growth that would be labour intensive and equitable combined with development of the social sectors especially directed towards the poor. Various programmes administered by different departments of the Central and the state government, SHG Bank Linkage programme initiated by NABARD and the social intermediation programme followed by NGOs have accelerated the process of organizing the poor.

295 Ibid.
particularly women into self-help groups. In West Bengal more than 1,00,000 self-help groups have been formed by different organizations (both Government and Non-Government) with Swarna Jayanti Gram Swarojgar Yojana (SGSY-SHG) based programme implemented by Rural Development Department contributing formation of about 55699 SHGs.

Although there are about 20 programmes operating in self-help mode, it has been felt that optimum use of these resources available under these programme are not being made at the district level and SHGs are being formed programme-wise without any specific assessment of employment potential or requirement of the area on the whole. Very recently, state government has taken initiative for convergence of SHG based programmes at grassroots level by formation of federation of SHGs at different level for augmentation of livelihood opportunities of SHG members and for extending outreach of basic services to the poor people especially women members. Initially 15 blocks in five districts have been selected for experimentation of this project in the state.\(^\text{300}\)

The Department of Panchayats and Rural Development is collaborating with various civil society Organizations (CSO) to fight together against the poverty and other social maladies. In a number of activities like supply of drinking water and sanitation, capacity building of members of panchayats, formation of self-help groups, watershed development, the civil society organizations are invited to work in tandem with the panchayat bodies.\(^\text{301}\) Among the various NGOs working in West Bengal, Care India and Catholic Relief Services have been functioning. In West Bengal Care India has programmes of Rachna (Reproductive and child health nutrition and aids programmes) which is functioning in 8 districts. CB dot- a smaller program dealing with TB is a part of Rachna. Also Cashe (Credit And Saving Household Enterprises) is functioning in 6-7 districts.\(^\text{302}\)

Human Development Report 2004 states that there is micro evidence that more women are entering into various types of economic activities that are related to

\(^{300}\) Self help Groups, Government of West Bengal (2005), [http://kolkata.wb.nic.in/prd/html/shg/shgintro.htm](http://kolkata.wb.nic.in/prd/html/shg/shgintro.htm)

\(^{301}\) Annual Report of the Department of Panchayats and Rural Development - 2002-03, op.cit.

\(^{302}\) Refer fn no.168.
the expansion of local networks such as panchayat-based groups & self-help groups. Most of their work is in non-agricultural activities, although it may be in related activities such as dairy, livestock rearing & food processing. These groups have also helped in increasing women’s work involvement in a range of services, some of which are relatively new. Such women’s groups are also active in urban areas, where they have assisted women in finding income – generating activities that add to household incomes.²⁰³

Moreover the Civil Society Support Programme (CSSP) is premised on the understanding that engagement of civil society can ensure that priorities of the poor, vulnerable and marginalised are assimilated into the policy and practice and consequently translated into pro-poor outcomes. The design work of the programme has been assigned by DFID to a team of consultants drawn from DFID and Civil Society. The basic orientation is towards ensuring a synergy among the efforts of the civil society organisations, government and the local bodies. The Civil Society Support Programme (CSSP) design has been completed. The total amount proposed to be offered for this programme is 8.5 million pounds (Rs.68 crore) spread over 6 years. The programme design recommends setting up of a separate management agency for this programme who will also be managing the funds. The Panchayats & Rural Development Department has been assigned the responsibility of acting as the nodal department for this programme.²⁰⁴