"We are building up a consumer society, which with unbridled profit-making may turn into a hell on earth and a society of waste and suicide."

- Jan Tinbergen

EXERCISES WITH RURAL DEVELOPMENT PROGRAMMES
India has had a very broad and very long experience of decentralised approach to rural development. This chapter attempts to make a critical review of such experience, particularly with reference to establishing various rural institutions, adopting various strategies and approaches for rural development and implementing various poverty alleviation programmes in rural areas and to find out the implications of such interventionist policies. Indian planning beginning with the first five-year plan till today have over-emphasised physical and financial planning at the expense of social planning. The analysis of rural poverty and regional inequality indicate that the achievements of Indian planning represent at best only a partial success. The whole planning effort in India critically failed in achieving the most important social and human values any society normally cherishes, namely to have educated and healthy population. In large parts of the country, illiteracy, especially among women continue to be rampant and infant mortality rate continue to be very high. Bottom 30 per cent of the population still consume only as much grain as they used to consume 40 years ago. In terms of absolute numbers, the number of illiterates, infant deaths, malnourished and hungry persons and beggars have all risen in 1993 compared to 1952, when we started our planning.
The failure to eradicate rural poverty, illiteracy, to assure access to health care to rural population and improve the status of women in the society account for the failure of Indian Planning. The real shortcomings of Indian planning lie in its overall neglect of social sector planning. Its failure lie in its neglect of the rural sector and units failure to integrate the real issues with development programmes and policies. Therefore the social objectives either enjoined in the constitution of India or often politically articulated could never be fulfilled. The government of India, in order to carry the benefits of development to India's 575,000 villages and improve the living standards of the rural people, particularly of those living below the poverty line, has vitiated a number of group-specific and region-specific rural development and poverty alleviation programmes, as reflected in the avowed goals of all its five year plans. The list of some of the important rural development programmes look like the one that is given in the Appendix Table A.5.1. Here some of the important rural development programmes are reviewed in the context of decentralisation process.

5.1 COMMUNITY DEVELOPMENT PROGRAMME:

Grow More Food Campaign (GMFC) was the first organised effort to raise food production in the rural economy. It was launched in 1943 in the wake of the Bengal famine. But
it did not make much headway until 1947. In 1948, GMFC was reviewed by Thakurdass Committee. Following its recommendations, the campaign was reoriented in 1950-51 and became a part of the first FYP. In 1952 government of India appointed an enquiry committee under the Chairmanship of V.T.Krishnamachari to assess GMFC. The committee observed, inter alia, that (a) all aspects of village life are interrelated (b) the campaign only touched a fringe of the total population, and (c) it did not arouse widespread enthusiasm. The committee recommended to set up an extension agency, which should reach every farmer and assist in coordinated development of rural life. It was out of this background that Community Development Programme (CDP was born. It was inaugurated on 2nd October 1952.

CDP was considered to be the process by which efforts of people themselves are combined with those of governmental authorities to improve the economic, social and cultural communities, to integrate them into the life of the nation and to enable them to contribute fully to national progress.\(^1\) The main objective of CDP was to secure the total development of the material and human resources of rural areas and to develop local leadership and self-governing institutions. The basic idea was to raise the levels of living of rural mass through a number of programmes. CDP aimed at raising agricultural production by strengthening programmes of

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resource development such as minor irrigation and soil conservation, by improving the effectiveness of supply systems of farm inputs and by providing agricultural extension service to farmers. CDP was expected to be the first step in a programme of intensive development which was expected over a period of time to cover the entire country. Initially the CDP was launched in 55 project areas in different parts of the country, covering 300 villages with a population of about 200,000 people. Another 110 areas were added in the course of six months. There was heavy demand for expansion of CDP to different regions. It was very difficult to resist the mounting political pressure to expand the programme.

Another scheme called National Extension Service (NES) was evolved and launched in 1953 to provide the organisation for CDP. The NES scheme was designed to provide the essential basic staff and funds with which people could start the development work on the basis of help-help. The NES blocks were subsequently converted into CDP blocks. The pattern of CDP was further revised with effect from 1st April 1958. According to this pattern, the CDP blocks had a life of 10 years consisting of two stages. CDP has covered 5011 blocks in India by 1979-80. A number of activities under CDP were undertaken in varying degrees depending on the circumstances peculiar to each block. These activities relate to (a) agriculture, (b) education, (c) health,
(d) social welfare, (e) housing, (f) supplementary employment, (g) training and (h) Communications.

Government of India formed a central committee at the national level with the Prime Minister as the Chairman, Minister of food and agriculture, members of Planning Commission as members to lay down the broad policies relating to the above mentioned activities. Community Projects Administration (CPA) was specially created and an administrator was appointed, who was assisted by a team of highly qualified executive staff. In September 1956, a new ministry of CD was created. The Technical Cooperation Administration (TCA) for India provided the technical assistance and expertise for CDP both at the central and state levels. Each state government established a State Development Committee consisting of Chief Minister as the Chairman, Minister of Rural Development and highly competent officers as the members and Development Commissioner as the Secretary of the Committee. At the district level a DDBC District Development Board was established with District Collector as the Chairman and DDO (District Development Officer) as the Executive Secretary. DDO is responsible for the operation of CDP at district level. He functions under the direction of state Development Commissioner and is advised by the DDB. At the block level BDC was established with BDO as its executive Secretary and SDO as the Chairman. BDC is responsible for the implementation of CDP within the
block. He is assisted by 8 or 9 extension officers in the field of agriculture, animal husbandry, rural public health, cooperation, social education, rural engineering, women's and children's development and rural industries. At the village level, ten VLWs or Gram Sevaks and two Gram Sevikas are responsible for implementing the programme within a cluster of villages, who work under the control of EDO.

In order to meet the expenditures on the implementation of the CDP funds were drawn from the government of India, State governments, as well as from the people. For productive works like irrigation, land reclamation etc., necessary funds were advanced by the centre to the state in the form of loans. From April 1969, the CDP was transferred to the state sector. The State government is then free to provide resources for the programmes from within the state plan according to their priority needs.

5.2 INTEGRATED AGRICULTURAL DISTRICT PROGRAMME:

In response to food crisis of 1957, the government of India invited a team of agricultural experts from USA in Jan. 1959 to study India's food problem and to recommend for raising agricultural production very quickly. The team was sponsored by the Food Foundation of USA. It suggested a number of measures to increase food production rapidly in its report submitted in April, 1959. A second team of agricultural experts sponsored by the Food Foundation
visited India in October 1959 in order to give an exact shape to the recommendations. The team developed a programme for an intensive coordinated approach to agriculture production, which was termed as Integrated Agricultural District Programme (IADP). It was developed on the basis of the 10 point programme.

Its longrun objective was to achieve a self-generating "break-through" in productivity and raise the production potential by stimulating the human and physical processes of change. Its immediate goal was to achieve rapid rise in agricultural production through a concentration of financial, technical, extension and administrative resources. Government of India approved the implementation of the programme in seven districts in tune 1960: Thanjavaer(Tamil Nadu), West Godavari (AP), Shahabad (Bihar), Raipur (MP), Aligarh (UP), Ludhiana (Punjab) and Pali (Rajstan). As per the suggestion of the Central Government, eight districts were selected by the state governments for implementation under IADP. (1) Sambalpur (Orissa), Alleppey and Palghat (Kerala), (3) Bhandara (Maharastra), (4) Cachar (Assam), (5) Jammu and Anantnag (JK) (6) Mandya (Karnataka), (7) Surat-Bulsar (Gujrat) and (8) Burdwan (WB).

IADP was initially sanctioned for a period of 5 years but was later extended by another 5 years. It created a

machinery specifically responsible for supervising this programme at the centre. At the district level, the project officer was assisted by three or four subject matter Specialists (SMSs) and one assistant or deputy Registrar of Cooperative Societies. Appropriate machinery to coordinat the activities of different departments and agencies was provided for at various levels. At the central level an Interministerial Committee, including the representatives of the Ministry of Community Development, Department of Agriculture, Panchayat Raj, Ministry of Finance, Ministry of Power and Irrigation, RBI, Planning Commission was constituted under the Chairmanship of a Special Secretary, Department of Agriculture. Adequate financial and administrative powers were delegated to the district Collectors and Project Officers in order to ensure quick and speedy action.

The main activities included under IADP are:

1) Village Planning for higher production, strengthening Cooperatives, Panchayats and Other Village-level organisations.

2) Adequate and timely supply of production requisites, fertilisers, pesticides and implements.

3) Adequate supply of credit based on production plans.

4) Extending marketing facilities and other services through cooperatives to the cultivators to command a remunerative price for their marketable surplus.

5) Adequate provision of storage facilities for supplies of seeds, fertilisers, pesticides, implements etc.
6) Intensive dissemination of knowledge of improved agricultural practices.

7) Improving the efficiency of transport system for supplies related to agricultural transformation.

8) Establishing seed-soil testing laboratories, and workshops for implements etc.

9) Evaluating the IADP from inception to its completion.

The process of agricultural transformation envisaged in IADP was a shift from traditional to scientific farming, extensive cultivation to intensive cropping, production for home consumption to production for marketable surplus. A planned utilisation of productive-inputs, use of scientific knowledge and improvement of management of skills formed the modus operandi to raise productivity of agricultural sector. Various training conferences, for programme staffs of national, regional and district level were organised. Block level training camps for village level staff and farmers were also organised. According to the agreement of June 1960, the Food Foundation's financial participation in the programme was limited to 100 blocks although the IADP covered 140 blocks in the first seven districts. Food Foundation met 50% of the expenditure on additional staff and 100% of the expenditure on transport, survey, evaluation, implements workshop, scientific demonstrations, training of staff and seed-soil testing laboratories. Food Foundation also extended technical assistance through a team of subject matter specialists and consultants.
Cooperation Mission (TCM) of the USAID also rendered the technical expertise. Many scholars working in agricultural universities and agro-economic research centres, have conducted analytical studies on various aspects of IADP. Ministry of Food and Agriculture has also evaluated the performance of IADP. In the fourth assessment of IADP it concludes that IADP where effectively organised and where improved technology was available, it has been able to move agricultural production forward more rapidly than did earlier approaches and to reach a wider range of former, large, medium and small. Douglas, Ensminger, who was the representative of Food Foundation in India, remarks that the basic concept of concentration, effective use and better management of resources had gained national acceptance and had emerged as the foundation of India's present strategy of agricultural development.

One of the major shortcomings of the IADP was that it worsened up the inter-district and intra-district inequality in income distribution. It neglected the equity aspect of rural development.

3. For a brief summary of all these studies see Gaikwad VR et al (1977), Development of Intensive Agriculture: Lessons from IADP Centre for Management in Agriculture, IIM, Ahmedabad, pp. 77-86.


After the creation of the new ministry of Community Development, in order to transform the CD into a peoples movement, a committee on plan projects was set up in Jan. 1, 1957 under the Chairmanship of Balwant Rai Mehta to evaluate the Experience of NES and examine the possibility of improving the functioning of CD blocks. The Committee recommended a three-tier system of local government christened as Panchayati Raj (PR) by Jawaharlal Nehru. At the apex or district level Zila Parishad, at the middle or block level Panchayat Samities and the grass root or village level village Panchayats were to be formed. The committee offered two broad directional thrusts: (i) There should be administrative decentralisation for the effective implementation of development programmes and (ii) the decentralised administrative system should be under the control of elected bodies. The conceptual and historical nexus between CD and PR was clearly brought out by the report. It holds that, in relation to people, CD is essentially both educational and organisational process. It to be more effective, demands the emergency and training of a new type of local leaders. This new type could only be thrown up by the democratic process. The remedy for the patent inadequacy

6. For details see Shiviah et al, (1976), Panchayat Raj: an Analytical Survey, National Institute of Community Development, Hyderabad, Govt. of India, Ch.II & III.
of the CDP and NES programmes to Mehta Committee, other government reports and academic studies was PR. Therefore, PR could be regarded as a highly institutionalised version of CDP. The three-tier structure of PR was brought into existence after the report was approved by NDC (National Development Council) in Jan. 1958. The new system of PR institutions was first adopted in Rajasthan and A.P. in 1959, followed by Assam, Tamil Nadu and Karnataka in 1960, Maharastra in 1962, UP and Gujarat in 1963 and West Bengal in 1964. The response in other states varied from reluctance to dilution, diarchy and ritualism in the system. Historical vicissitudes complicated the structures, functions and effectiveness of PRI in different states.

In AP, the Zila Parishads endowed with limited, executive functions, have shown encouraging results in the field of education. In Bihar Zila Parishads were introduced in only 8 districts, but were given up soon. In Rajasthan the Panchayat Samiti worked with enthusiasm in the initial phase. In Assam there is a Mahkuma Parishad at the subdivisional level and the Panchayat with a population above 15000. Tamil Nadu and Karnataka do not have the Zila Parishads, but they had Taluka boards. The performance of Taluka Boards with regard to education, water supply, roads and nutrition had received wide appreciation. In Kerala the performance of village Panchayats in the field of many municipal and civil functions was extremely good in spit-
of the representation of different political parties. In MP, it was implemented in a piecemeal manner which proved counter-effective. In West Bengal, there was slight deviation, with a larger gram Panchayats. In Maharashtra and Gujrat PRP has functioned effectively, particularly in the field of decentralized planning and development.

In UP, Zilla Parishad Adhinyam was enforced in 1963, by which Zilla Parishad at the district level, Kshetra Samities at the block level and Gram Panchayats at the village level came into existence. The president of the Zilla Parishad was an elected head. Kshetra Samities was headed by an elected block Pramukh, who is assisted by an elected Jyeshta up-pramukh and Kanishtha up-pramukh. The LPO and ADM(P) are designated as district development officer and ADM(D). Chief Development Officer functioned as the Chief Executive Officer of the Zila Parishad and the B.D.P. (Block Development Officer) as the chief executive of the Kshetra Samiti. All the three-tier Panchayati Raj institutions were assisted by a number of specific-task-oriented committees and sub-committees. The responsibilities of officials and these institutions and committees are clearly defined. A glance on the categories of functions performed by PR institutions makes their jurisdiction clearer.

(a) **Zila Parishad**: Public works, planning, coordination, supervision and execution of development programmes including agency function.
(b) **Panchayat Samiti:** Sanitation and health, public works planning, coordination, supervision and execution of development programmes including agency function.

(c) **Gram Panchayat:** Sanitation and health public works, agriculture, forests and animal husbandry, village industries, welfare activities and promotion of voluntary bodies, education, sports and culture and general administration and security.

**Committee/Sub-committees of Panchayat Raj:**

Under the Zila parishad Act, 1961, the following committee were constituted -

**At Zila Parishad level:** (1) Planning Committee, (2) Executive Committee, (3) Finance Committee, (4) Public Works Committee, (5) Education Committee & (6) Public Health Committee.

**At Block Level:** (1) Executive Committee, (2) Production Committee & (3) Welfare Committee.

**At Village Panchayat level:** (1) Agricultural Production Sub-Committee & (2) Welfare Sub-Committee.

The pattern and practice of PR show a substantial transfer of power into local hands and the adaptation of the historic apparatus of district administration to some sort of partnership with the local leader. However, this local political revolution was not accompanied by any social or economic revolution. Though the congress policy
was concerned with bringing about a new deal in agriculture by means of land reforms and cooperative farming yet the unintended consequence of the policy of the government was to strengthen the hands of rich farmers, which in turn led to their emergence as the dominant group in the countryside replacing the landlords and non-agriculturist money lenders. The so-called progressive farmers turned out to be the most privileged class and proceeded to exploit the potential benefits, of PR and widen the gap between themselves and the poor, landless peasant. These progressive farmers also scored well on political plans too. The national political parties were clever to see that PR offered an opportunity to secure a new power base for them. Thus the past experience with PR in activising rural development is very much disappointing. The story of PR has been one of ups and downs. It has passed through three phases: 7

(i) the phase of ascendency (1959-64),
(ii) the phase of stagnation (1965-69) and
(iii) the phase of decline (1969-77).

In seventies PRIs degenerated and became dysfunctional at all levels. They are condemned for having opened the east shores of village India, for having accelerated rather

7. Govt. of India (1978), Report of the Committee on Panchayat Raj Institutions, Ministry of Agriculture and Irrigation, New Delhi, pp.3-4.
than solved village conflicts and for being actively involved in party politics. Douglas Ensinger sums up: No programme in India was more risk taking, more promising in its implications than panchayat Raj. Today no rural development programme is more controversial, more generally damned by the administrative bureaucracy and the political pundits than Panchayat Raj. However in recent years PR has been revived in right spirit. PRIs now exist in almost all the states, but with considerable variations in their structure and mode of elections. At the end of seventh plan, there were 217300 gram panchayats, 4525 block panchayats samities and 330 zilla parishads in the country. The tenure of elected bodies varies between 3 to 5 years. Now sincere efforts are made to activise the PRIs towards the goal of rural development. In order to revitalise the panchayats, a constitutional Amendment Bill (82nd Amendment bill, 1991) was introduced in the parliament. This amendment provides for inter alia, a gramsabha in each village, constitution of Panchayats at village and other levels, direct selection in all states to panchayats at the village level and intermediate levels, reservation for SC/SC in proportion to their population and reservation of not less than one-third of the seats for women, fixing tenure of five years for local

authorities and holding the elections within a period of 6 months in the event of supersession of any such authority.

While celebrating the Silver Jubilee year of PRI it was so emphasised that the leaders of the movement to pledge themselves to the service of our under-privileged millions and a tentative time table of work to implement the new economic measures with the participation of people for an integrated rural development. It is legitimate on the part of the PR officials that they should perceive the rural problem correctly motivate themselves in that direction and mobilise public interest toward rural transformation. A clarion call be given to the Panchayats to implement land reforms, abolish bonded labour ensure minimum agricultural wages and allot house-sites to the landless.

According to Ashish Mehta, the entire rural development programme need coordination at decentralised level. This is not one that can be left only to official machinery. The need for locally elected organisation to supervise, coordinate and arrange for feedback is increasingly being felt by the State government themselves and it is here that Panchayat Raj as a system can provide the answer. Planning done by local institution will generate a participatory process of development and generate better-information for

goal setting at local level. The more the people participate in the process, the more self reliant they would become to aspire and work for a future when man will blossom forth from being into becoming. PR is the only organisation at the grass-root level which can most efficiently diagnose the local problems and needs local organisation can provide more detailed information in local conditions and possibilities than central agencies can acquire and handle. It can ensure more rigorous allocation warranted by socio-economic imperatives than those made at the centre or state supposedly on the basis of technical considerations. It makes easy to identify the constraints which have retarded rural development. Regional variations as well as technological, economic, socio-cultural and environmental constraints check the operational suitability of the plans. It leads to adopt such plan priorities and investment, which will be most suited to specific needs and most beneficial to the local mass.

It has more direct contributions to efficiency and rural development. The widest possible involvement of people in the developmental efforts is a gain terms of legitimacy and nation building. A network of smaller democratic wheels, besides the giant ones operating at the central and state levels, import resilience and strength to the political system as a whole, which is bound to have

significant economic implications. PR, besides modernising bureaucracy at local levels, facilitates adjustment to local priorities. Local control provides the flexibility for the proper integration and timing of activities and for the modification of programme in response to changing conditions, community involvement, which is essential to a sustained development process, is greatly facilitated by local rather than centralised control. One particular advantage is that the problems of the community as perceived by its residents and those imputed by local officials tend to be more easily reconciled. It may be pointed out that national priorities may sometimes come into conflict with local priorities. In any case, detailed knowledge of local resources and detailed planning for their full exploitation is beyond the ken of central and state government. PR is most effective in that regard.

PRI has to be viewed with reference to two aspects the foundational aspect and infrastructural aspect, which are organically linked with each other. In its foundational sense it has succeeded in creating the developmental conscience.

(1) The consciousness can percolate down below to the rural masses, through PRI.

(2) The developmental conscience will check "fatalism and defeatism" psychology of rural masses and generate necessary enthusiasm in them for their being actively associated with the rural development programmes.

(3) The Developmental conscience shall evoke social consciousness and bring many attitudinal and social changes. Social evils like dowry, death, feasts, marriage feasts, child marriage, aversion to widow remarriage, witch craft can be eradicated.

(4) PRI can deal with the question of growth with social justice. It can take the lead in effecting won-transformation in the rural community by eliminating economic disparities as well as boosting up egalitarian trends towards socialistic pattern in the rural economy.

Having realised the need for promoting voluntary action in the field of rural development a number of schemes for promoting and strengthening these organisations are being formulated. There include a number of measures such as simplified system of registration, sanction of grants, training office bearers, tax relief for donation for rural development. This is likely to give a fillip to various voluntary organisations opting to work in the rural areas. There is no gainsaying the fact, their services can be utilised for such programmes like nutrition, child care, family welfare, sanitation plantation, aforestation, informal education etc.

The feedback from layers represented by P.Raj would be quite valuable on the basis of such feedback, policy makers and administrators should be able to evolve improved tools procedures and methods. Five intellectual tasks are involved in peoples participation-
(i) clarification of goals,
(ii) description of trends
(iii) analysis of conditions
(iv) projection of future developments
(v) innovation, evaluation, monitoring and selection of alternatives.

Now the success of panchayat raj institution will have to be measured by the following main test developed by ESCAP. ESCAP's criteria relates to the following objectives:

(i) drawing the entire rural labour force into the main stream of economic activity.
(ii) realising the creative energies of the rural people.
(iii) bringing the town into the countryside and thereby checking the draft of the rural population to the cities.
(iv) enhancing the participation of women and youth in the development process.
(v) improving the living conditions of the rural majority and their quality of life particularly through integration of development with environment.
(vi) the all round development of the abundant manpower, their economic and social productivity and work satisfaction.

Recently Manumanth Rao committee has conceived of a sequence approach to the local level planning process in which PRI and other local government institution play a crucial role. This implies that decentralised development in a continuum and different stages of it, are to be crossed
before reaching the final stage. It helps to emphasise
the component elements of local development strategy and
their interrelations. It is an interactive process which
should be build up certain attitudinal, behavioural and
cultural conditions conducive to decentralisation. This
is however the "culture of decentralisation" which has to
grow in a strength to sustain the march towards the ultimate
goals at the local level namely: (a) increasing production,
(b) reducing unemployment and (c) alleviation of poverty.

5.4 LAND REFORMS:

The need for land reforms was recognised at the time
of independence and has been reiterated in the successive
five year plans. The importance of land reforms continues
to be significant. Because land is still the single most
important asset in rural India and given the present
state of agricultural technology even a small farm can be
viable both in terms of employment and income of a family.

At the time of independence three types of land tenure
system were prevalent in the country: Zamindari, Mahalwari
and ryotwari. Approximately 57% area of the country was
under zamindari system. In terms of coverage ryotwari came
second with 38% while Mahalwari was restricted to only 5%
of area. After independence, the government enacted

13. Thirumalai ST, Post War Agricultural Problems and
policies in India, p.129.
laws to abolish the intermediaries. However, these were entirely inadequate to have any drastic impact on the agrarian structure. The zamindars only changed their garb and became absentee landlords. These absentee landlords wield considerable economic power derived from land-ownership:¹⁴ (a) cultivation with the help of hired labourers (b) leasing out of land to tenants (c) usury (d) trading in grains and other commodities. This is the true ruling class in our country. This new class of big landlords, as its predecessor, the zamindari class, flourish on the exploitative system.

The main tenants of land reforms are: abolition of intermediaries, security of tenure for tenant cultivators, redistribution of land by imposition of a ceiling on agricultural holdings, consolidation of holdings and updating of land records. The land reforms have been enunciated and reemphasised in both the seventh and eighth plan, to be an intrinsic part of rural anti-poverty strategy. The objectives of land reforms are: (1) restructuring of agrarian relations to achieve egalitarian social structure (2) elimination of exploitative land relations (3) actualisation of the goal of land to the tiller (4) improvement of socioeconomic conditions of the rural poor by widening their land-base (5) increasing agricultural production and productivity (6) facilitating land-based development of

rural poor; and (7) infusion of greater measures of equality in local institutions.

However, after 4.5 decades of Indian's emphasis land reforms continues to be a political rhetoric ever since the colonial period. The apparent progressive nature of the laws and Acts continue to remain at the level of papers and seminar halls. The important reasons for its failure are (a) lack of political will (b) snags in legislation, and (c) apathy of the bureaucracy land lords have become the means of further marginalisation of poor tenants. The very instruments of implementing land reforms have turned into instruments of subverting land reforms. The nexus between the politicians, administrators and land owners has brought the rich peasant power into the limelight. It has become the strong impediment in the implementation of land reforms. The state's subsidy programme may ensure adequate per capita food production in a purely statistical sense but does nothing to solve the real problems of rural poverty. There is ample evidence to conclude that implementation of land reforms in India has been wrought with serious snags and political apathy.

Eradication of rural poverty has been the major goal of India’s economic policy since the commencement of planning era. It was increasingly realised that the process of rural development has been largely benefitting the richer sections of the rural society. The rich landlords and rural elite class were reaping the benefits of the massive investments in the rural areas. Based on the past experience of more than 25 years of planning integrated Rural Development programme was conceived of by the policy-makers of fifth FYP. The basic strategy of combining the minimum needs programme with the programmes for generating income and employment in rural areas took a concrete shape towards the end of the fifth plan when IRDP was launched in the year 1978-79.

The term integration is rather a nebulous concept. It has two main interpretations. Firstly it implies the emphasis on inter-sectoral co-ordination with its element of inter-sectoral complementarities and internal consistency. It comprises of comprehensive agricultural development linked with rural industries, subsidiary occupations, tertiary sectors opportunities, community services and development organisations. Secondly it refers to an integrated project approach with the core project as a basic starting point and then weaving around it all complementaries and linkages, in fact all that are necessary as a support to the core project.
Integrated rural development is a new approach to an old problem. It has grown out of disenchantment with policies aimed at output growth only. It has emerged out the emphasis assigned to employment and income redistribution and many other aspects of rural development. It is not merely a task of planning for an area in isolation, but one of interacting with other spatial levels and their plans and ultimately of integrating them into a single consistent framework. It aims at full harnessment of their labour input and better redistribution of incomes. Its main objective is to raise the level of living of poor families through transferring technology, Assets and services (TAS) to the target families.

IRDP represents a synthesis of three approaches: the cluster approach to select villages for implementation, the antyodaya approach to select beneficiaries from the selected villages and the package approach to assist the selected beneficiaries. The first approach ensures that the supporting infrastructure is available in the selected villages at low cost, the second approach ensures that the real poor is selected and the third approach ensures that the family benefits fully from the complementarily between various inputs and services.

IRDP is the single largest antipoverty programme currently underway in all the community development blocks in the country. It was launched in 1978-79 in 2300
selected blocks in the country and was extended to all
the 5011 blocks with effect from 2nd October 1980. It aims
at providing income generating assets and employment
opportunities to the rural poor to enable them to rise above
the poverty line once and for ever. The IRDP in effect seeks
to redistribute assets and employment opportunities in
favour of the rural poor. It has three prominent features:
1) the enrichment of the total quality of life and the
   reduction of disparities in income and in employment.
2) the minimum need programme for development of social
   services, with a build up of infrastructure.
3) the entire formulation and implementation to be on a
   specific locality and area basis. It implies a 'deep
   thrust' in selected spheres of development activity.

The target group of IRDP consists of the poorest of
the rural poor: small and marginal farmers, agricultural
and non-agricultural labourers, rural artisans and craftsmen,
scheduled caste (SC) and scheduled tribes (ST) families
who live below the poverty line. The basic criterion to be
used for identifying the families was income of the family.
On an average a rural family having five members with an
income of Rs.3500 per annum, was treated as living below

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17. Each section of poorest group as defined in the manual
   on Integrated Rural Development Programme, Ministry of
   Rural Reconstruction, Govt. of India, Jan, 1980, pp. 3-4
18. Rs. 62 per head per month was adopted for the poverty
   line.
the poverty line. In IRDP guidelines and poor families are classified on the basis of their annual income as:

<table>
<thead>
<tr>
<th>Income range (Rs.)</th>
<th>Groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>2501-3500</td>
<td>Poor</td>
</tr>
<tr>
<td>1501-2500</td>
<td>Very poor</td>
</tr>
<tr>
<td>less than 1500</td>
<td>Very Very poor</td>
</tr>
</tbody>
</table>

The general formula for the amount of investment required per family to cross the poverty line is

\[
\lambda = \left[ \frac{I}{K} \right] > 1
\]

Where:
- \( Y \) = income of the target family before assistance
- \( I \) = investment made for the family under IRDP
- \( K \) = capital-output ratio of the scheme offered
- \( I/K \) = additional income generated by the investment
- \( 3500-Y \) = income gap that the family needs to cross the poverty line.

When \( \lambda > 1 \), the family is said to cross the poverty line otherwise not.

The following are the illustrative list of schemes that are financed under IRDP.

1) minor irrigation          (5) fisheries development etc.
2) purchase of implements    (6) horticulture, sericulture etc.
3) soil conservation and reclamation (7) farm forestry, timber plantation
4) dairy development         (8) rural industries and artisans programme.
IRDP beneficiaries are assisted through viable and bankable projects which are financed partly by subsidy and partly by bank loans. The beneficiary can choose a project suited to his background, skills and personal preferences from the list of 61 schemes in the fields of agriculture.

Banks have been instructed by the RBI and NABARD to provide loans upto Rs.5000 without any security to cover or guarantee. Banks are advised to clear load applications within a reasonable time and they are required to give a report of the position in respect of disposal of loan application to BLOs (Block Development Officer) every month RBI has instructed the lead banks to formulate credit plans for their districts in collaboration with government officers concerned.

IRDP was financed by the government of India and the state governments on a ratio of 50:50. Fifteen million rural families were proposed to be covered under IRDP during 6th plan period. This was to be achieved by extending the assistance to 600 families on an average per block per year. The 6th FYP provided Rs.750 crores for IRDP, which was to be equally matched by state governments. The IRDP covered 165.61 lakhs by the end of 6th plan. Yearwise and statewise performance of IRDP is shown in appendix table.
An Assessment at the end of the 6th plan revealed several shortcomings. Keeping this in view and the feedback received from the state government, suitable changes were introduced in the guidelines for the IRDP in 7th plan. The poverty line was based at Rs.6400, but those eligible for assistance under IRDP had to have an average annual income of Rs.4800 or less. 20 millions families were targeted under IRDP during 7th plan, of which 10 millions were old beneficiaries, who had been unable to cross the poverty line and required a second dose. During 7th plan the total investment including the institutional credit amounted to Rs.8688 crores. The subsidy expenditure on IRDP was Rs.3316 crores which was in excess of the target of Rs.3000 crores, (Table 5.1). The total no. of families covered was 18 million as against the target of 20 million. The sectoral composition indicates that of all IRDP schemes 44% were in the primary sector and 37.5% were in the tertiary sector.

At the national level the Department of Rural Development in the Ministry of Agriculture and Rural Development is responsible for policy planning, direction, coordination and monitoring of the IRDP. At the state level either the Department of planning or of Rural Development is responsible for planning, implementation, coordination and supervision and monitoring of the IRDP. At the district level an autonomous agency called DRDA is responsible for planning,
implementation and monitoring the IRDP. At the block level there is a complete tie-up with the existing planning and implementation machinery and the programme is entirely monitored by the BDO.

Table - 5.1: Performance of IRDP in 7th plan.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Item Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7th plan</td>
</tr>
<tr>
<td>1.</td>
<td>Total investment (Rs. crores)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Total no. of families to be covered (target) (lakhs)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Total No. of SC/ST beneficiaries lakh</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>No. of women beneficiaries covered lakh</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Percapita subsidy (Rs.)</td>
</tr>
<tr>
<td>6.</td>
<td>Percapita credit (Rs.)</td>
</tr>
<tr>
<td>7.</td>
<td>Percapita investment (Rs.)</td>
</tr>
<tr>
<td>8.</td>
<td>Sectorwise coverage</td>
</tr>
<tr>
<td>a) Primary Sector</td>
<td>43.75</td>
</tr>
<tr>
<td>b) Secondary Sector</td>
<td>18.64</td>
</tr>
<tr>
<td>c) Tertiary Sector</td>
<td>37.61</td>
</tr>
</tbody>
</table>

IRDP has the provision of training for beneficiaries and functionaries at all levels. The beneficiaries are trained how to manage the new assets or projects so as to derive maximum benefits from them. Training in agriculture and allied activities is conducted in Agricultural universities,
ITIs, Gram Sevak training Centres, Farmers training centres, Krishi Vigyan Kendras and other schools of training men by KVIC and All India Handicrafts Board etc. TRMSEM, which constitutes an integral part of IRDP was initiated in 1979. Its objective is to equip rural youth in the age group of (18-35) with skills that would enable them to be self-employed. The target is to train 200,000 rural youth per year at the rate of 40 youth per block.

From the comprehensive survey conducted by NABARD in 1984, it is learnt that 47% of the sample beneficiaries had been capable of raising their income at current prices, through IRDP. When the effect of inflation is taken into account, the number of beneficiaries crossing the poverty line declines to 22%. It is again a gross overestimate, because their income included the loan instalments, which belong to the banks and not to the beneficiaries. When it is adjusted, it further comes down to less than 10 per cent. According to the survey conducted by IRMA in two blocks of Sabarkantha district of Gujrat, it is found that with an average investment of Rs. 2337 per beneficiary, about 40% of the beneficiaries have crossed the poverty line. If it is adjusted for inflation it comes down to 32% only.

The main lacuna with IRDP are the following:

1) By denying the benefits of the IRDP to the poor families living outside the selected clusters, the cluster approach adopted by IRDP does not fulfil the equity criterion.

2) When a guideline was issued to spend 50% of the outlay outside the selected clusters, it was socially and politically more appealing. But it led to the spread of scarce resources rather too thinly over a large number of villages which lacked the supporting infrastructure, as a result of which no tangible impact was made on the beneficiaries: "little benefits to many."

3) There is general reluctance and inability of the poorest of the poor to purchase and manage one of the assets identified for under IRDP. Expertise and consultancy needed for solving this difficulty is lacking.

4) VLWs have a lot of scope for arbitrary action in selecting the beneficiaries. Lack of proper norms for income generation from various activities and lack of rigorous scrutiny by the block level and district level authorities of the income estimates prepared by the VLWs leads to faulty selection.

5) The existing organisational structure is incongruent with the strategy of IRDP. There is a serious management gap. There is a lack of an appropriate organisational set up to translate the policy-
decisions into actions. As per the instructions and guidelines of the central government, the village and Block plans are not prepared. The VLW does not prepare the household plan as per the specifications contained in the IRDP manual. It is because the requisite manpower and expertise is not available.

6) Block plans are prepared by aggregating the village-wise requirements of inputs, services and credit etc. No serious attempts are made to identify the infrastructural gaps, to integrate the IRDP plans with the plans of other sectors and to establish forward and backward linkages with other agencies.

7) IRDP, like all other previous programmes is also considered to be the government's programme. It suffers to some extent as a result of inadequate response from the rural people including the targeted beneficiaries.

8) Task of motivating and organising the rural poor cannot be effectively performed through the government machinery. As a consequence of the non-involvement of the beneficiaries, the field functionaries tended more to indulge in exploitative and corrupt practices.

There have been numerous cases where no assets were purchased but the certificates to that effect have been issued by the purchase Committee in return for bribes. In many cases, sub-standard assets have been supplied at prices higher than the market rates by the authorised
dealers in collusion with the banks.

Thus IRDP approach essentially entails a disintegrated and mere household approach. It is not properly integrated with resource-base and sectoral-planning. Thus it is not likely to help in achieving the larger goals of rural development and alleviation of rural poverty. The socio-economic and administrative factors are responsible for the poor performance of IRDP. In the present socio-economic structure of Indian rural society, IRDP fueled corruption on larger scale. It benefitted mainly the rural elite class, without any percolation to the group for whom it was really intended. The programme itself is not well-conceived. The 6th plan emphasises the critical significance of constituting a decentralised planning authority at the district level to formulate an integrated district/block development plan, which combine the development and beneficiary aspects together with an objective of poverty amelioration. This has not yet been done and such steps as have been taken in IRDP to accomplish it are too feeble and halting.

5.6 RURAL INDUSTRIALISATION:

Large scale industries are highly capital intensive.

Its employment elasticity is very low. Large-scale


industries have failed to solve the type of unemployment that we have. Growth of large scale industries in the urban centres has accentuated the hiatus between rural and urban sectors. Larger industrial concentration deterioration the life quality of the people, by emitting smokes, noise, harmful pollutions etc. Big urban agglomerations give rise to big slums, and congestion and excessive commuting. Larger industries widens the gap between two sectors. They need skilled manpower which villages can not provide and they produced goods which the rural folk do not use. Problem of unemployment and disguised underemployment plagues the rural economy. In the past it was believed that rural unemployment could be tackled through agricultural development. But 'green revolution' in many states has shown that the benefits of agricultural development have not percolated to the rural mass. With this realisation it is wrong and unreliable to still believe that agricultural sector can bring the prosperity for the rural people. This provides the raison d'être of rural industrialisation programme in India.

Although rural industries have been emphasised in India since the very beginning of planning, yet rural industrialisation has not occurred. Rural industries have only been sporadically established. Rural industrialisation sometimes is understood to be the introduction of small scale of industrial units in the villages. In reality it has a
broader connotation. Its object is to harmonise the welfare approach with production approach. It implies the optimum utilisation of local skills and manpower and raw materials. It involves a process of all-round, self-sustained development of manufacturing activities in the households and small scale sectors, so as to provide employment to the rural illiterate, assetless people and raise their income. The employment generating capacity in cottage and village industries in rural sector is 8 times more than the large scale industries. And the capital cost per person employed with appropriate technology in rural industries is very low.

The idea of the Rural Industrialisation Project (RIP) was first mooted in a seminar held under the auspices of Gokhale Institute of Politics and Economics at Pune in 1961. Accordingly a centrally sponsored scheme was started in 1962 which covered 45 areas with different socio-economic backgrounds; 4 more areas were included in 1965. The main objectives of this programme were to - (1) set up small industries in the rural areas by utilising effectively rural resources, (2) enlarge the employment opportunities, (3) raise the income and standards of living of the rural people, (4) reduce the exodus to urban areas, (5) eliminate regional economic disparities, (6) diversify rural occupations and (7) reduce inequalities in income and wealth and secure social justice.
The idea behind this programme was to work out an intensive programme of development of small scale industries in those selected areas. Rural industries were to be developed in centres with a population of less than 25000. An entrepreneur was to make an investment ranging from Rs.10000 to Rs.1.00 lakh. Ultimately this programme was expected to ensure rural industrialisation throughout the country, on the basis of the experience in techniques and methods of production, gained in these areas. On the recommendation of the Rural Industries Planning Committee, the government proposed to bring the entire rural areas of the country under this project, in about 25 years, in a phased manner. Certain special facilities provided to the potential entrepreneurs and artisans of RIP area were:
(a) supply of raw materials, (b) establishment of common service facilities, (c) technical advice, (d) industrial extension service, (e) supply of subsidised tools to village artisans, (f) arrangement of institutional finance
(g) training facilities to raise the skill of artisans and (h) advance loans at concessional rates etc. The government further announced certain special concessions for the selected backward districts. These are:
(i) concessional finance on easy terms
(ii) outright grant/subsidy amounting to 15% of the fixed capital investment,
(iii) liberalised import of machinery/raw materials
(iv) priority in the supply of machines on hire purchase.
(a) **R A S**:

Rural Artisans Programme (RAS) was started by the ministry of agriculture in 1971-72, as a part of RIP. It is a central programme meant exclusively meant for rural artisans. The main objective of RAS is to provide all round training to village artisans in different trades. This was to enable them to take up small enterprises and work with improved tools. They are to produce goods which could be sold locally. It is expected to raise their income and standard of living.

(b) **D I C**:

Industrial policy Resolution in 1977, emphasised on providing all types of assistance to the small industries under one roof. Government as a result introduced the scheme of the District Industry Centre (DIC) in May 1978. Its aim is to provide full coordination among the various agencies connected with the promotion of small industries. It is to serve as a "focal point" for the development of small and rural industries, away from big urban centres. Its responsibility is to provide all types of services and assistance required at pre-investment and post-investment stages to the entrepreneurs willing to start small scale and cottage industries. It performs the functions of identification of entrepreneurs, preparation of suitable schemes, arrangement of machinery and equipment.
on hire-purchase, supply of critical inputs, liberal finance
industrial sheds, training facilities and marketing services
of finished products. Till March 1982, 384 DICs were
setup covering 399 districts out of 411 districts in the
country. By 1987, there were 419 DICs covering 428 district
The performance of DICs can be shown in the following
Table 5.2.

Table - 5.2: Performance of DIC.

<table>
<thead>
<tr>
<th>Year</th>
<th>SSI Units</th>
<th>Artisan-oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984-85</td>
<td>189420</td>
<td>285838</td>
</tr>
<tr>
<td>85-86</td>
<td>97419</td>
<td>265098</td>
</tr>
<tr>
<td>86-87</td>
<td>108771</td>
<td>315369</td>
</tr>
</tbody>
</table>

Plan allocation for village and small industries
during various plans has increased substantially (table 5.3)
But it always constitutes only less than 2 per cent of the
total plan outlay.

Table - 5.3: Plan allocations for village and small
Industries.

<table>
<thead>
<tr>
<th>Five year plan</th>
<th>Actual expenditure/plan allocation for VSI(\text{\text{rs. crores}})</th>
<th>% of total plan outlay</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>42.0</td>
<td>2.1</td>
</tr>
<tr>
<td>Second</td>
<td>187.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Third</td>
<td>240.8</td>
<td>2.8</td>
</tr>
<tr>
<td>Fourth</td>
<td>242.6</td>
<td>1.5</td>
</tr>
<tr>
<td>Fifth</td>
<td>592.6</td>
<td>1.5</td>
</tr>
<tr>
<td>Sixth</td>
<td>1750.5</td>
<td>1.8</td>
</tr>
<tr>
<td>Seventh</td>
<td>2753.0</td>
<td>1.5</td>
</tr>
</tbody>
</table>
The small industries sector is usually divided into nine groups: (1) Khadi, (2) Village Industries, (3) Handlooms, (4) Sericulture, (5) Handicrafts, (6) Cain, (7) Small-scale Industries, (8) Power-looms and (9) Others. The last two belong to the modern sector, and first six belong to the traditional rural sector. For the development of small-scale and cottage industries the government has reserved certain items to be produced exclusively by the small scale sectors. The number of reserved items has increased from 126 products (1968) to 836 items (1986). The employment coverage of the SSI sector has increased from 234 lakh (1979-80) to 315 lakhs (1984-85). The target of 1989-90 was 400 lakhs jobs to rural people.

Though over last two decades, rural industries have been sporadically established, rural industrialisation has not been occurred. Much remains to be accomplished to ensure that rural industry plays a complimentary role to other activities in rural areas, to meet the local needs in as efficient a manner as possible. Although questions relating to balanced rural-urban development were discussed in early years of the community Development Programme and the need for developing the block headquarters into a model central place was realised, nothing has been really done to manipulate the centripetal forces of the economy to bring about a convergence of various functions as well as infrastructural and social service facilities in these centres.
5.7 GROUP SPECIFIC PROGRAMMES:

(a) SFDA and MFALDP:

The Indian Planners have expected that the land reform programmes and Green Revolution are effective in reducing the incidence of rural poverty. But, it is widely felt that the small and marginal farmers and also agricultural labourers do not benefit from the Green Revolution, and on the other hand, the gaps between the rich and small, marginal farmers has started widening, and the regional variation in agricultural development has started increasing. For its solution, two special programmes: (I) the Small Farmers Development Agency (SFDA) and the Marginal Farmers and Agricultural Labourers Development Programme (MFALDP), which subsequently emerged in SFDA, are started following the recommendation of All-India Rural Credit Review Committee in 1969-70.

The basic objectives of these programmes are to promote the small/marginal farmers through facilitating extensive use of new agricultural technology and inputs like high yielding variety seeds and fertilizer, and additional production assets like wells/tube wells, pumpsets, bullocks, farm implements. This helps them to increase their income above the poverty line and simultaneously to

to repay the loans taken for agricultural purposes. The provision of supplementary sources of income like diary and other type of animal husbandry, bullick carts, and small handicrafts, are made in which special loans at concessional rates are granted. A number of micro-level studies are initiated within 2-3 years and many special agencies are engaged to evaluate its performance. But the Reserve Bank of India study for 13 marginal Farmers Development Agencies, one each from 13 districts/states indicates that in most cases, dairy and poultry contributed a higher share to total household income in case of the beneficiaries compared with the non-beneficiaries. It is also significant that in most cases the dependence of the beneficiary households on agricultural and non-agricultural wage employment is relatively low.

The special schemes such as SFDA and MFAL are fitted well in the Indian situation. With their primary emphasis on improving production base and earning capabilities of marginal/small farmers, these agencies have reflected sound policy orientation. The decline in the incidence of rural poverty is perhaps unmistakable for small and marginal farmers to some extent. These groups are relatively better off among the rural poor. Of course, it is difficult to estimate the number (or percentage) of small and marginal farmers who have crossed the poverty line under this programme, because data are not available. However, in terms of sheer
coverage which is grossly inadequate both in numbers and regions, the marginal and small farmers benefiting from this programme constitute a very small percentage of total rural poor.

The planning commission has felt that the SFDA, although quite effective in raising farm and non-farm incomes of the beneficiaries has not proved so much effective in solving the problem of the rural poor on a wider scale. "The coverage of SFDA is limited to less than half the districts in India and not every part of these districts. The performance has been more in provision of current inputs than in the provision of additional productive assets, and the landless labourers are in significantly touched by the programme." Guhan points out that a quarter of the beneficiaries are non-target group households which, do not belong to the benefit-intended categories.

The causes of such failure in coverage of the programmes is the inadequacy of concentrated infrastructural developments necessary for the success of such programmes. All kind of infrastructural development are directed in favour of commercial crops, which are generally undertaken by rich farmers. For example, for irrigation in Maharastra between 1960-61 and 1971-72, about ₹530 crores are spent on canal

irrigation, but the additional canal irrigation area is not more than 69000 hectares. Sugarcane and fruits and vegetables have consumed 58 per cent and 28 per cent respectively of the total quantity of irrigation water available in the state. Nearly three fourth of the total investment in irrigation in the state has gone for the benefit of farmers, who are growing sugar cane, fruits and vegetables. Irrigation is very expensive, and is used in a concentrated way to benefit only one or two per cent of land and farmers. The beneficiary-oriented programme taken for small and marginal farmers along with artisans, tenants and agricultural labourers have, of course, given rise to another new exploiting class, as called contactmen. The contactmen by and large, happened to be the local influential persons by establishing liaison between the bureaucratic officials and the beneficiaries. A part of the fund of aid that is to be transferred to the beneficiaries under such programme, is appropriated by these contactmen. The officers also preferred to operate through the contactmen, because (i) they avoid the embarrassment of taking bribe from every beneficiary who approaches them and (ii) they also remain sure that the vigilance trap is not behind the transaction. Thus the fund or aid does not reach the beneficiaries because of the existence of such parasite groups in the society. The SFDA, later on, was merged with integrated rural development programme.


(b) **THE 20-POINT PROGRAMME:**

The 20-point Programme was launched on 1st July, 1975 as a "Garibi Hatao" Programme to alleviate the conditions of the poor sections of the society. It was implemented with considerable success during 1975-77. A revised Programme was announced on 14th Jan., 1982. The basic objective of this programme is to continue its focus on the provision of better living conditions for the weaker sections of the society while aiming at all-round improvement in productivity. The revised 20-point Programme (TPP-1982) has been under implementation from 1982-83 to 1986-87.

The outlays for different items of the 20-point Programme are not fixed separately and these are derived from the relevant plan heads under states/union territories and plans of concerned Central Ministries. The financing of various schemes under the 20-point Programme shows a close partnership between the central and state Governments in the sphere of economic planning in general and the implementation of anti-poverty programmes in particular. The 20-point programmes form an integral part of the plans of the State Government Administrations and Central Ministers. However, some schemes like RLEG, and the family Welfare Programmes are funded entirely by Central Government. Other Programmes, namely, IRDP, NREP, and Bonded Labour Rehabilitation are jointly financed from Central and State resources on a 50:50 basis.
The 20-point Programme (TPP-86) restructured in 1986 in the light of the experience gained in the implementation of the 20-point Programmes of 1975 and 1982. While some of the items of the earlier Programmes are dropped, its scope is extended to bring within its range other items having a closer and more direct link with the nation’s frontal assault on poverty. The TPP-86 renewed the Government’s commitment to the eradication of poverty, the raising of productivity, the reduction of income inequalities and the removal of social and economic disparities. In general, it aims at improving the quality of life of the people. The implementation of the Programme began with effect from 1st April, 1987.

Out of a total Public Sector outlay of ₹1,80,000 crores for the Seventh Plan, the outlay for TPP-86 works out to ₹60,500 crores which represents 33.6 per cent of the total outlay. The share of TPP in the total Central outlay is 22.6 per cent and in the States/UTs outlays, 46.1 per cent. The total outlay for 1988-89 is ₹4,98,18 crores, of which the outlay relating to the 20-point Programme works out to ₹1,53,72 crores, i.e. 31 per cent.

(c) **ANTIYODAYA:**

Antyodaya means upliftment of the last man in the income series based on per capita annual income. It is the name of the anti-poverty programme initiated by the Government of Rajasthan on 2nd Oct. 1977, for helping the poorest among
the poor. Later on, the IRDP adopted 'Antyodaya' as the principle of identifying the beneficiaries, that is, all poor households are first to be identified and ranked and the poorest is to be the first to be chosen as beneficiary under this programme.

In Rajasthan the task of identification of the poorest of the poor families is entrusted to the gram sabha (village assembly). The following economic criteria in order of priority are, however, laid down in 1977 for selection of the poor families under this programme.

i) Families under severe destitution without any productive assets and with no member in age group 15-59 years capable of doing any economic activity.

ii) Families without any productive assets of land or cattle but having one or more person capable of economic activity with per capita income up to ₹20 per month.

iii) Families have some productive assets with a per capita income up to ₹30 per month.

iv) Families having a per capita income up to ₹40 per month.

The Government of Rajasthan made provision for direct assistance in different forms for the families identified on the basis of above criteria. Broadly speaking, the assistance package consists of ₹40 for those who are old and are unable to undertake any gainful economic activity, like
allotment of agricultural land for cultivation, provision of subsidised loan assistance for farm development, farm forestry, animal husbandry activities like diarying, poultry, fish rearing, piggery, service occupations like tailoring, blacksmithy, carpentry, shoe-making, bullockcarts and donkey carts for transportation, pottery, manufacturing activities like soap making, niwar making, handicrafts, salt-making, mining and for taking up small time rural vocations like cycle repairing and hiring, pan shop and tea shop. The poorest of the poor are given preferential employment in public works. Some other social benefits like provision of school books to children of Antyodaya families, reservation of 10 per cent seats in hostels run by the social welfare department for students of weaker sections and free supply of dresses to school going Antyodaya children are provided. Out of 261883 identified families about 217334 families are benefited in the State by December 31, 1980. The loans already distributed came to ₹1727 crores. Of these, ₹1047 crores was provided by cooperative institutions while ₹680 crores came from commercial banks.

Antyodaya and the Employment Guarantee Scheme (EGS in Maharashtra) are two different approaches for the removal of poverty, while Antyodaya aims at building up the productive capacity of the identified families by helping them to

undertake various occupations, EGS aims at providing supplemen-
tary employment to the poor on public works which are take
up on demand of the unemployed. While the former lays
emphasis on schemes of self-help with the state arranging
subsidised finance at low rates of interest through the
banking system and is meant exclusively for poorest of the
poor, the latter is a work programme of guaranteed
employment for the entire rural population at a very low
wage rate. The main problems encountered in the implementa-
tion of the Antyodaya programme are as follows:

a) Enough attention is not paid to the earlier round of
Antyodayees. Slowly but steadily they are going out
of focus,
b) The technological input in the scheme is rather inadequa
c) No market extension is emphasized for the entire output
of Antyodayee families.
d) No effort is made under this programme for the permanent
solution of the rural poor, and after some years, the
same Antyodayee reverts back to the previous rung of the
economic ladder.

(d) TRYSEM:
The national scheme for Training of Rural Youth for
Self-Employment (TRYSEM) has been introduced with effect
from 15th August 1979 to provide technical skills and to
upgrade the traditional skills of rural youth belonging to
families below the poverty line. The TRYSEM is an integral
part of the Integrated Rural Development Programme and has concentrated on rural youths between the ages 18—35, which obviously cover a large section of rural labour force. Modes of training included in the scheme are institutional training, individual or collective local training through master craftsmen, artisans and other skilled manpower. The physical targets of TRYSEM include the total number of unskilled manpower to be made skilled, the total number of trained manpower who later became self-employed and the resources allocated for this purpose. The emphasis is given on the infrastructure for this training facility which includes the construction of hostels, class-rooms and workshop accommodation, class training inputs and other miscellaneous goods. The selection of youths is made from the rural families with annual income of less than Rs.3500/- The target is to train about 2 lakhs rural youths per annum. Priority is given to Scheduled Castes, Scheduled Tribes and to women. During the Sixth Plan period 1980-85, about 9 lakhs youths have received training to improve their skill and about half of them are already self-employed. 28 Assuming that all self-employed rural youths (4.5 lakhs) have crossed the poverty line, the decline in incidence of rural poverty under the TRYSEM is a negligible figure of 0.08 per cent till 1985.

During 1987 its scope was enlarged to include wage employment also for the trained beneficiaries. During 7th plan about 10 lakhs youth were trained under TRYSEM of which 47% took up self employment and 12% wage employment. The remaining 41% could not avail either. A sizeable proportion of IRDP beneficiaries who needed training could not receive it. In fact only 6 to 7% of IRDP beneficiaries were trained under TRYSEM. During 1990-91, 2.6 lakh youth were trained, of which 70% got employed. 29

The problems in the scheme are: (1) inadequate supply of infrastructural facilities: for example, in one and half year of the TRYSEM implementation the absolute resources allocated on infrastructural items have diminished; (ii) the increasing gap between the total number of trained persons and the numbers seeking self-employment discourages the rural youths to adopt this scheme further.

(e) DWCRA Scheme:

Development of Women and Children in Rural Areas (DWCRA), an exclusive scheme for women and children was launched under IRDP as a pilot project in 80 districts, in 1982-83. In 7th plan it was extended to more districts and at the end of 7th plan it was in operation in 161 districts. Under DWCRA, a group of women are granted assistance to take up viable economic activities with Rs.15000 as one-time grant to be used as a revolving fund. In 7th plan about 28000

groups could be formed against the target of 35000 with a membership of 4.6 lakh women. During 1990-91, against the target of 7000 groups, 7139 were actually formed. In principle this scheme looks sound, but in operationalising if the impact has been inadequate. This is due to lack of cohesion among women groups formed under DWCRA and their inability to identify activities that could generate sustained income.

(f) **FOOD FOR WORK PROGRAMME:**

It is felt that along with growth of national income, employment must expand simultaneously. As the capital intensity in industries and allied activities keep rising, the demand for labour get depressed. So, unemployment comes to be reckoned as a problem in its own right. At this stage poverty is recognised, in particular, with unemployment and under-employment, and its removal is sought to be found in providing employment in the rural programme. Thus, for creating additional employment opportunities in rural areas, a scheme known as the Food for Work Programme (FFWP) was drawn up towards the end of 1976-77. It actually came into effect from April 1977. The important public works taken up under this programme are like soil and moisture conservation, flood protection, maintenance and improvement

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of irrigation facilities, construction of Panchayat ghars, school buildings, medical and health centres and improvement of sanitation and hygienic conditions in rural areas. The objective of this programme was to create additional employment and to strengthen the durable social assets in rural areas by paying wage in terms of foodgrains. The utilisation of food-grains under the scheme was 12.47 and 23.45 lakh tonnes in 1978-79 and 79-80 respectively. Correspondingly 355 million and 534 million mandays of employment are created in those two years.

5.8. NREP:

The National Rural Employment Programme (NREP) is the modified and restructured version of FFWP. Unlike FFWP which was operated in an adhoc basis the NREP became a part of the Sixth Plan integrated strategy of rural employment. This programme is basically aimed at providing employment to the rural poor, raising their economic status, generating community assets and thereby strengthening the rural infrastructure. The creation of community assets under this programme is to be taken up as an exception in respect of group housing and land development projects which benefit individuals belonging to Scheduled Castes and Scheduled Tribes.
During the Sixth Plan period 1980-85, more funds were provided than to be utilised, Rs.2485 crores of cash funds were made available of which Rs.1808 crores (i.e. 72.75%) were utilised. In 1980-81, 1562 million tonnes of foodgrains were made available of which 1334 million tonnes were actually utilised. Thereafter, the utilisation of foodgrains had sharply fallen. During the five years from 1980-81 to 1984-85, the additional employment created is 413.6, 334.5, 351.2, 302.6 and 349.3 million mandays respectively.31

Employment generation under the NREP is inadequate at two levels, viz, in terms of the overall target set for the NREP, and in terms of the magnitude of unemployment in the rural areas. As to the first, there is a yard-stick for assessment, viz the target of 300-400 million mandays fixed by the NREP guideline and the board objective of creating additional employment in rural areas. The result with respect to the generation of employment shows that the target of generating 300-400 million mandays of employment has been achieved for all the years so far. Table 5.4 shows that the percentage of employment generated (under the NREP) to employment needed varies between 20 per cent to 29 per cent, during the 6th plan. It shows the performance of the NREP in eradicating rural poverty, it is assumed that 100 mandays of employment per rural

poor in a year are required to cross the poverty line. Thus the expected number of rural poor under the NREP who crossed the poverty line can be found out by dividing the total mandays of employment generated in each year by 100.

The inter-state variations in performance of the NREP can be studied in two ways: (i) on the basis of the expected number of the poor crossing the poverty line, and (ii) on the basis of percentage of the rural poor crossing the poverty line.

Table - 5.4: Performance of NREP under 6th plan.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employment generation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) needed</td>
<td>1409</td>
<td>1444</td>
<td>1479</td>
<td>1515</td>
<td>1552</td>
</tr>
<tr>
<td>(b) actual</td>
<td>413.6</td>
<td>354.5</td>
<td>351.2</td>
<td>302.8</td>
<td>349.3</td>
</tr>
<tr>
<td>2. % of actual to needed</td>
<td>29.4</td>
<td>24.60</td>
<td>23.80</td>
<td>20.00</td>
<td>22.50</td>
</tr>
<tr>
<td>3. No. of rural people crossing the poverty line</td>
<td>4136</td>
<td>3545</td>
<td>3512</td>
<td>3028</td>
<td>3493</td>
</tr>
</tbody>
</table>

Note: Figures in parenthesis indicates the % of rural people crossing the poverty line.

On the basis of the first criterion, the relative performance of NREP is better in states of Andhra Pradesh, Bihar, Madhya Pradesh, Maharashtra, Orissa, Uttar Pradesh, Tamilnadu and West Bengal, whereas it is somewhat disappointing in States of Assam and Punjab, for the period 1980-83. On the basis of the second criterion, the states like Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Orissa, Punjab, Rajasthan and Tamil Nadu are set in the higher rank with respect to the performance of NREP over three years (1980-83) except Gujarat, Karnataka, Punjab and Tamil Nadu in 1980-81. Assam and Bihar have worse positions in this aspect over the three years. The second criterion reflects better picture of the NREP performance between States, because it takes the absolute number of existing rural poor into account.

Physical achievements with respect to social assets under the NREP are as follows: under 427502 hectares are brought under afforestation/social forestry; 51667 village tanks and 397062 drinking water wells/community irrigation wells are constructed during the five years (1980-85). Area benefited by such minor irrigation works amounted to 893660 hectares, 482787 hectares benefited by soil and water conservation and land reclamation works; 429172 Kms of rural roads are constructed and improved; and 201957 school and community buildings of various types are constructed during this period.
### Table 5.5: Performance of NREP in 7th plan.

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure (Rs. crores)</th>
<th>Employment generation (mn mandays)</th>
<th>Mandays cost (Rs.)</th>
<th>Wage non-wage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-86</td>
<td>531.95</td>
<td>316.41</td>
<td>16.81</td>
<td>60:40</td>
</tr>
<tr>
<td>86-87</td>
<td>717.77</td>
<td>395.39</td>
<td>18.15</td>
<td>60:40</td>
</tr>
<tr>
<td>87-88</td>
<td>788.31</td>
<td>370.77</td>
<td>21.26</td>
<td>59:41</td>
</tr>
<tr>
<td>88-89</td>
<td>901.84</td>
<td>394.96</td>
<td>22.83</td>
<td>57:43</td>
</tr>
</tbody>
</table>


Expenditure on NREP increased from ₹531.95 crores to ₹901.84 crores during 1985-89. Employment generation during 1985-86 and 1988-89 was 316.4 and 394.9 million mandays respectively (Table 5.5). Wage to non-wage ratio declined to 57:43 during 1988-89. During 7th plan several types of assets were created with 24.6% expenditure on rural roads and 19.1% on social forestry. Construction was a main activity with 11.9% on schools, 12.1% on houses, 6.5% on minor irrigation and 3.3% on wells for drinking water.

### 5.9 RLEGP:

The Rural Landless Employment Guarantee Programme (RLEGP) is a totally centrally financed programme introduced in 1983. It is parallel to the NREP. It is
confined to landless rural people. Its object is to provide employment up to 100 days every year to at least one member of every landless household. An amount of ₹1,000 million was provided for 1983-84 and it was expected to generate additional employment of 60 million mandays; an amount of ₹5,000 million was provided for 1984-85 and it was expected to generate additional employment of 300 million mandays. The preliminary reports suggest that these targets are over fulfilled. There was earmarking of fund specifically for certain activities: 25% for social forestry, 16% for works benefiting only SC/ST and 20% for housing under Indira Awaas Yojana. In the 7th plan ₹2,412 crores were spent and 115 crore mandays were generated with an average expenditure of ₹21.00 per manday (Table 5.6).

Table 5.6: Performance of RLEG in the 7th Plan.

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure ₹. crores</th>
<th>Employment generated mn mandays</th>
<th>Mandays cost (₹.)</th>
<th>Wage non-wage ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-86</td>
<td>453.17</td>
<td>247.58</td>
<td>18.30</td>
<td>57:43</td>
</tr>
<tr>
<td>86-87</td>
<td>635.91</td>
<td>306.14</td>
<td>20.77</td>
<td>57:43</td>
</tr>
<tr>
<td>87-88</td>
<td>653.53</td>
<td>304.11</td>
<td>21.49</td>
<td>58:42</td>
</tr>
<tr>
<td>88-89</td>
<td>669.37</td>
<td>296.56</td>
<td>22.57</td>
<td>58:42</td>
</tr>
</tbody>
</table>

Source: 8th Plan Vol. II, Govt. of India, Delhi, p.30.

Only 22% had been spent on rural roads and 16% spent on social forestry and 22% spent on housing and over 5 lakh
houses have been created for SC/ST and freed bonded labourers.

From the evaluation of the performance of employment generating programmes, one concludes that raising only two to three per cent of rural poor above the poverty line does not tell much effectiveness of this nation-wide programme in the context of poverty alleviation in rural India. This programme is viewed to provide temporary solution to the problem of rural unemployment. "Systematic treatment through public works programme is legitimate for relieving the severity of the condition, but lasting cure needs elimination of the root cause." Policies to generate greater rural employment are not confined to public sector programmes like the NERP or the EGS. There is scope for greater income and employment generation and its wider dissemination in the field of agriculture. The PEO study had discovered that employment provided by the EGS in Maharashtra is greater for the non-target groups as compared to target groups when their respective requirements are taken into consideration.

More disconcentratingly benefits of EGS assets has gone to a large extent to the medium and large farmers, which constitute only 21% of the user households.

The erstwhile NREP and RLEGP programmes were merged into a single rural wage employment programme, called Jawahar Rozgar Yojana (JRY) on 28th April, 1989 in order to guarantee employment to the rural poor. The Centre provides 80 per cent finance of the programme. In its very first year of operation, Central assistance for this programme amounts to Rs.2100 crores. Funds are allotted to States in proportion to the size of their population, which falls below the poverty line. The further allocation of these funds to districts are to be determined in terms of criteria of backwardness such as the share of the Scheduled Castes and Scheduled Tribes in the total population of the district, the proportion of agricultural labour to total labour and the level of agricultural productivity.

60% weightage is to be given to the proportion of SC/ST, 20% weightage is to be given to the proportion of agricultural labourers and 20% weightage is to be given to the inverse of agricultural productivity in the central allocation. Special consideration is to be given for meeting the requirements of geographically distinctive areas such as hills, deserts and islands. It is expected that on an average a village panchayat with a population of three thousand to four thousand people are to receive between Rs.80000 to Rs. one lakh a year to implement the Jawahar
Rozgar Yojana. It is expected to provide employment to at least one member of each poor rural family for fifty to hundred days a year at a workplace near his residence. It is hoped to incorporate into the programme integrated schemes to provide employment to nomadic tribes. Special feature of this scheme is that 30 per cent of the employment generated is to be reserved for women. Works can be taken up for execution during any part of the year whenever the need for generating supplementary employment is felt, preferably during lean agricultural seasons.

All existing rural wage employment programmes stand merged in Jawahar Rozgar Yojana. It is expected to reach out to the 440 lakh families in rural India, living below the poverty line. It aims at placing in the hands of the village panchayats around the country adequate funds to run their own rural employment schemes. By devolving the finance to the panchayats and entrusting them the administration of the programme it is expected that a larger proportion of the funds than ever before to be deployed for this programme. Through the devolution of this programme to village panchayats it is hoped that the benefits of this programme directly reaching the people to be significantly higher than in the past.

A unique feature of the JRY is that each beneficiary knows how much remuneration he and others are getting and how many days of work are being given to them and others.
Those who will be cheated or deprived will not only be encouraged to demand immediate redressal, but also use the ultimate weapon in their hands to vote out of office any Sarpanch for cheating and abusing or misusing his powers and responsibilities.

Of the total allocations at the state level 6% of the total resources are earmarked for housing under Indira Awaas Yojana (IAY) under which 8.6 lakh houses have been constructed during 1990-91. Financial and physical performance is shown in Table 5.7. Rural road construction was the primary activity accounting for a little less than 30% of the expenditure during 1989-90. Minor irrigation and House construction constituted 12.3% and 13.6% of the expenditure respectively in 1990-91. Social forestry constituted 4.5% and schools and community building constituted 9.2% of the total expenditure.

Table - 5.7: Performance of JRY.

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation</th>
<th>Utilisation</th>
<th>Employment lakh mandays</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. lakh</td>
<td>per lakh</td>
<td>Target</td>
</tr>
<tr>
<td>1989-90</td>
<td>263067</td>
<td>245854</td>
<td>8757</td>
</tr>
<tr>
<td>1990-91</td>
<td>262780</td>
<td>260003</td>
<td>9291</td>
</tr>
</tbody>
</table>

**MILLION WELLS SCHEME:**

Million Wells Scheme is a subscheme of JRY like Indira Awaas Yojana. It was launched during 1988-89 with the
objective of providing open irrigation wells for small and marginal farmers belonging to SCs/STs who are below the poverty line and have been listed in the IRDP register of the target group. The open wells under the scheme are to be provided free of cost. The scheme is to be confined to open well and does not cover bore-wells and tubewells. 20% of the JRY resources are earmarked for MWS. Total 2.6 lakh wells have been dug which constituted 9.4% of the expenditure during 1990-91. The States of Assam, Kerala, Haryana, Meghalaya, Punjab, Sikkim, Andaman & Nikobar Islands, Delhi, Ladshadweep and Pondichery have opted not to implement the scheme.

5.11 MINIMUM NEEDS PROGRAMME:

The minimum needs programme was introduced in the 5th plan with the objective of providing the rural population, particularly the rural poor, with access to certain items of social consumption which form an integral part of the basic needs. It was initiated in 1976-77, covering all states and union territories. The target group consisted of landless labourers. Initially there were eight components under MNP: elementary education, rural health, rural water supply, rural roads, rural electrification, house sites for rural landless agricultural labourers, environmental improvement of urban slums and nutrition. During 6th plan, adult education and provision of assistance for construction
of houses on house-sities allotted under the programme are also included. The outlays for MNP are earmarked from its inception to ensure that the funds allotted to it are not diverted to other programmes. During the 7th plan the list was further expanded with the inclusion of rural domestic energy, rural sanitation and public distribution system.

The objective in the Draft Plan (1978-83) was to cover all villages with a population of 1500 and above, and 50 per cent of villages with a population 1000 - 1500, amounting to a total of additional 42000 villages. But a provision of ₹.800 crores was made, through which only 17000 villages are covered. Thus the financial provision did not match the requirements for achieving the objectives. With respect to rural water supply, an outlay of ₹.1388 crores was made for this purpose in the Draft Plan (1987-93) for covering 12300 villages. In case of non-formal education system, the Draft Plan had the target of 160 lakhs enrollment of children in the age group of 6-14, but only five lakh children were enrolled during the two years 1978-80.

Similarly, in adult education system, against the target of covering 650 lakh adults during 1978-80 only 53 lakhs adults were covered. In case of elementary education, over 90% of the children were enrolled and had access to a school. But the literacy rate is about 50%, due to high rate of dropouts at the primary level itself. Physical
progress and expenditure on MNP during 7th plan (1985-90) can be seen from Table 5.8.

Table - 5.8 : Progress of MNP in 7th plan.

<table>
<thead>
<tr>
<th>Sl. Components</th>
<th>Outlay (Rs. crores)</th>
<th>Expenditure (Rs. crores)</th>
<th>Physical progress Units</th>
<th>Target</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Elementary education</td>
<td>3001.98</td>
<td>30012</td>
<td>Lakh No.</td>
<td>298</td>
<td>251</td>
</tr>
<tr>
<td>2. Adult education</td>
<td>625.28</td>
<td>462.45</td>
<td>-do-</td>
<td>471</td>
<td>448</td>
</tr>
<tr>
<td>3. Rural Health</td>
<td>1065.35</td>
<td>943.13</td>
<td>No.of PHC</td>
<td>65364</td>
<td>59656</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CHC &amp; sub-centres</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Rural water supply</td>
<td>4235.23</td>
<td>4467.37</td>
<td>No. of Villages</td>
<td>186180</td>
<td>219965</td>
</tr>
<tr>
<td>5. Rural needs</td>
<td>1461.62</td>
<td>1565.04</td>
<td>Popln. group 1000 above</td>
<td>16280</td>
<td>17315</td>
</tr>
<tr>
<td>6. Rural electrification</td>
<td>510.24</td>
<td>551.98</td>
<td>Villages</td>
<td>31380</td>
<td>36726</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>electrified</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Rural Housing</td>
<td>605.70</td>
<td>629.77</td>
<td>House site (lakh No.)</td>
<td>29</td>
<td>43</td>
</tr>
<tr>
<td>8. Nutrition</td>
<td>1421.42</td>
<td>1172.71</td>
<td>SNP &amp; MDP (mn.No)</td>
<td>118</td>
<td>180</td>
</tr>
<tr>
<td>9. Rural cooking energy</td>
<td>269.79</td>
<td>209.75</td>
<td>Improved chullah (lakh no)</td>
<td>62</td>
<td>76</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Rural fuel plantation 000 Ha.</td>
<td>467</td>
<td>401</td>
</tr>
<tr>
<td>10. Rural Sanitation</td>
<td>93</td>
<td>44</td>
<td>lakh No.</td>
<td>5.0</td>
<td>0.4</td>
</tr>
<tr>
<td>11. Public distribution</td>
<td>144</td>
<td>127</td>
<td>No.of fair price shop</td>
<td>10860</td>
<td>21851</td>
</tr>
</tbody>
</table>

A review of the programme reveals that in most cases the physical and financial targets have been satisfactorily achieved except in rural health, sanitation and adult education. However, the quantitative achievements do not mean much in themselves. In case of rural health, there is an extensive network of primary Health-centres and sub-centres but these have not been operationalised in terms of adequate staff and medicines. In any case "health for all" means reduction in birth rate, death rate and control morbidity and diseases. Under the rural water supply programme, the coverage of villages is not enough by itself. In case of rural domestic energy, lack of coordination between the fuel wood and improved chullah, and other sub-components is found to be a major shortcoming. There is considerable inter-state variation with respect to different components of MNP. The direct impact of this programme on the incidence of poverty is not at all visible. It is difficult to estimate the number of beneficiaries, who have increased their standard of living and crossed the poverty line. At the same time it is not incorrect to say that the gains from this programme do not percolate down to the people at the lower rung of the economic ladder.  

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5.12 IREP:

A major constraint in improving the living conditions in rural areas is the non availability of energy for meeting the subsistence needs of rural people. Rural areas are worst affected due to present all-round scarcity of commercial energy. The share of rural areas in total commercial energy produced in the country has been only less than one-fifth, though rural area account for more than three-fourth of the total population. Non-commercial energy consisting of fire-wood, cowdung and agricultural waste continue to provide 80- to 90% of total energy consumed in rural areas for the subsistence level of cooking and heating. Most of the energy consumed by rural people do not enter into market system. These pattern of energy consumption vary from one agro-climatic region to another. There is therefore, need to understand the patterns of energy consumption at the micro-level through decentralised energy planning exercises in order to provide sustainable and affordable supply of energy sources for meeting the growing needs of rural population.

Seventh Plan took up Integrated Rural Energy Programme (IREP) as a plan scheme. It is a major effort in the direction for rural development, taking into account the concerns for equity and social justice. IREP was developed on the basis of the experience of the pilot rural energy
planning exercise taken up in the 6th plan. Under this, pilot projects were set up in a few selected blocks for developing the methodology for decentralised IREP and for developing institutional arrangements for preparing and implementing IREP projects, through which the least cost mix of various renewable energy options were provided for meeting the energy needs for subsistence living on the basis of the experience of this exercise, IREP was taken up as a regular plan in 7th plan with components for developing institutional mechanisms, project preparation, implementation and monitoring, financial incentives and training.

The implementation of IREP in 7th plan was funded through outlays provided under central and state plans. The central plan component was utilised for setting up institutional mechanism in various states. The state component was utilised for preparation, implementation of projects and financial incentives for the promotion of rural energy technologies. During 7th plan and subsequent two years (1990-92) around 250 blocks have been covered under IREP programme. Block level project documents have been prepared for most of those blocks. Wide variations in the use of non-commercial fuel were found in different agro-climatic zones. Both quality and quantity of energy consumption vary across the zones. Anomate sources of energy constitute more than 50% of the energy used in agriculture. This source is used most inefficiently. It needs to be substituted
with more efficient commercial and renewable sources, whose mix would have to be area-specific and have to be estimated at micro-level. All these confirms the need for decentralised energy planning.

Based on the past experience, 8th plan envisages IREP to focus on two areas: (1) provision of energy for meeting the basic needs of cooking, heating and lighting especially for the weaker sections, by utilising locally available energy sources (2) provision of energy as the critical input in the economic development of rural areas, which results in higher productivity and rural employment.

A major constraint so far encountered in the implementation of IREP has been the existence of sectoral barriers and lack of coordination between the different sources of energy supply at different levels. Problem of affordability among the potential beneficiaries has been the major constraint. There is lack of people’s participation. At the grassroot level, the involvement of potential beneficiaries in the planning and supply of different energy and technologies is very much limited. There is lack of suitable extension mechanism at the village-level that would create awareness among the rural people and provide technical and financial support in the installation.
5.13 AREA-SPECIFIC PROGRAMMES:

The faith on the "Trickle Down Theory" has been completely eroded. It has lost its appeal as a policy strategy. The inequitable distribution of the benefits of the growth oriented programmes, between rich and poor, between advanced districts and backward districts was acknowledged in official documents. It was felt that direct intervention is essential for reducing the incidence of poverty. Accordingly various corrective measures in the form of group-specific and area-specific programmes were initiated in the early seventies.

The anti-poverty programmes launched since seventies are of two types: The first set seeks to promote self-employment by providing productive assets financed by subsidies and credit to the poor households and the other set seeks to provide wage employment and in the process create community assets. The major premises of these programmes was that their benefits would flow directly to the weaker sections and backward areas because of the specificity. These programmes had four important objectives:

(i) transfer or creation of durable assets for the poor which generate regular flow of income (ii) raising the consumption levels of the poor (through PDS), (iii) supply of materials at concessional rates to rural artisans and other non-agricultural workers and (iv) extending

marketing facilities for rural finished products and strengthening the institutions which benefit the poor.

(a) **Tribal Areas Development Programme (TADP):**

Tribal Areas Development Programme (TADP) was launched in 1970-71. The economic development programmes relate to tribal agriculture, horticulture, land reclamation, land development, soil conservation measures, control of shifting cultivation, minor irrigation, development of animal husbandry, development of forest-based industries, debt redemption, land restoration etc. under this TADP programme six pilot projects were sanctioned by the government of India for economic development of these areas. They are at (1) Koraput district of Orissa, (2) Ganjam of Orissa (3) Konta Tahsil of Bastar district of MP (4) Srikakulam district of AP (5) Singhbhum district of Bihar (6) Dantewada of MP. Two more tribal projects in Orissa (Keonjhar and Phulbani) were sanctioned during Fifty FYP.

All tribal development projects were implemented through a society called the Tribal Development Agency, registered under the Registration of Societies Act, 1860. Each project had an outlay of Rs.1.5 crores for the core programme of economic development and Rs.50 lakhs for the construction of arterial roads to open up the tribal areas. Each project was to cover about 10000 tribal families or 50000 participants. Ordinarily the agency subsidies
50 to 75% of the capital requirement of each programme and the balance is met by the tribal beneficiaries through loans from institutional and other resources.

A strategy of earmarking funds for the development of scheduled tribes was evolved for the first time in the fifth plan. Tribal sub-plan was developed to ensure the flow of benefits from all sectoral programmes and to provide integrated delivery of services in the tribal areas. The modalities of tailing the programme to the needs of tribal people and quantifying funds from identifiable programmes were issued in the guidelines to the state governments. Separate tribal sub-plans were formulated in 16 states and 2 union territories covering 63% of the tribal population in the country. These sub-plans were divided into 180 integrated Tribal Development Projects for operational purposes. The broad objective of the tribal sub-plan are to:

(a) improve the quality of life of the tribals by freeing them from exploitation in the sphere of land alienation, indebtedness, bonded labour and malpractices in exchange of agricultural and forest produce,

(b) reduce the gap between levels of development of tribal and other areas.

The most backward groups among tribal society, many of them at a pre-agricultural stage, were identified and
special programmes were taken up for their development. A high priority was accorded to protective measures and the elimination of exploitation, on the fields of higher vending money lending, land alienation, and collection of forest produce, there persists exploitation of traders and outside agencies. The states enacted laws to prohibit land transfers from tribals to non-tribals. The laws are reviewed and appropriate measures are taken to plug various loopholes. Programmes for providing training in agro and forest-based industries were taken up so as to create opportunities of gainful employment for the tribals. In some states TDC (Tribal Development Corporations) were established to play a key roles in bringing about a change in the relationship between the tribal and the market economy through an integrated credit-cum-marketing services. The administrative structure in the tribal areas was reviewed and restructured; the areas under the 5th schedule have been rationalised in order to ensure better implementation and effective protection to the tribals.

(b) Desert Development Programme: (DDP)

The Desert Development Programme (DDP) was launched in 1977-78 by the Central Government. For two years it functioned with 100% financing by the centre. But with effect from 1979-80, the expenditure was shared in the ratio of 50:50, between central and states under this programme total
expenditure of Rs. 23.69 crores has been incurred upto March 1980. The main objectives of DDP are to check further desertification of desert areas and to raise the productivity, income and employment levels of local inhabitants. As of 1981, DDP was in operation in 128 blocks covering arid areas in twenty districts in five states in the country. The main activities taken up under the DDP included afforestation, water harvesting, rural electrification and animal husbandry. The programme continued during the 6th FYP. The emphasis was on arresting desertification through various activities which maintain ecological balance, facilitate soil and water conservation and stabilise sand dunes. Under this DDP, adoption of water harvesting techniques, plantation of shelter belts and development of pastures to sustain the livestock economy were pursued vigorously. In Rajasthan, where CDP has the largest coverage, a specialised Directorate of Desert Forestry and pasture Development has been established. However the investments under DDP have been very slow, particularly in forestry and pasture development. It is due to the fact that the organisations responsible for forestry are inadequately equipped to meet the particular requirements of the desert regions.

(c) Hill Area Development Programme:

With the realisation of an uneven distribution of the developmental benefits among geographical regions, another area-specific programme, known as Hill Area Development
Programme (HADP), was launched as a central sector scheme in the fourth plan. During 4th plan, two HADProgrammes - are at Nungba subdivision of Manipur and another at Pauri Garhwal in U.P. were sanctioned. The third HADP was approved by the central Government for Tehri Garhwal district of U.P. in 1976. The major emphasis of these projects is on reducing intra and inter-regional differences in the distribution of benefits from agricultural development. Each project is administered by an agency headed by district or divisional level officers.

The three HADP central projects have performed the following functions:

(1) land development by way of terracing and other measures of soil conservation.
(2) construction of link roads,
(3) identification of growth centres around which the processing and marketing facilities can be effectively linked to the interior areas.
(4) establishment of processing industries both for agricultural and horticultural crops, together with marketing and cold storage facilities.
(5) introduction of upgraded dairy animals, poultry and sheep to raise production of meat, fish egg and milk.
(6) composite demonstration and intensive campaign of new agricultural technology covering the use of fertilisers, pesticides, improved seeds with multiple cropping.
(7) development of horticulture by way of establishing progeny orchards.

(8) harnessment of small streams and rivulets by way of installation of lift irrigation, pumpsets, construction of low dams/wiers to enhance the irrigation potential of the hill areas.

The HADP is currently operating in different states. The pattern of assistance to these projects was similar to the SFDA/MFAL projects. Special assistance is given to different states, giving equal weightage to the area and population of the hill areas. Now many sub-plans have been introduced to ensure complementarily and linkages among the schemes formulated under the various sectors of the state plan.

(d) **Drought Prone Area Programme:**

The severe drought conditions of the mid-sixties had decreased agriculture output and increased incidence of poverty in India. The Government had launched a special programme called Rural Work Programme (1970-71) which provides relief work to the drought affected poor people. It was reoriented as Drought Prone Area Programme (DPAP) incorporating the individual beneficiary approach into blocks in 73 districts of 13 states in 1973. The main objectives of this programme is to provide employment through construction.

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work, which lasts for long periods, and provides permanent solution to the problems of drought in the selected districts. Its aim was to promote dryland agriculture by better soil and moisture conservation, more scientific use of motor resources, afforestation, and livestock development through development of fodder and pasture resources.

The 5th plan Document added other objectives to it like (i) long-term development of the areas with a view to restoring ecological balance, and (ii) short-term programme of development which helps in improving the lot of the community in general and the small and marginal farmers and agricultural labourers in particular.

Given the objectives the sectoral earmarking of funds are: (1) Land shaping and soil conservation- 30%, (2) Afforestation and Pasture development-25%, (3) Water resource development-20%, (4) other activities - 15% and (5) Project Administration - 10%. The allocations are shared between the centre and the states in a 50:50 basis. Funds are allocated on the basis of number of blocks covered in each district at the rate of Rs.15 lakhs per block having a geographical area upon 500 Sq.Km. Now DPAP has covered 615 blocks of 91 districts in 13 states. The financial and physical performance of DPAP under 7th plan is shown in Table 5.9.

Rural works programmes, though essential for immediate relief, are not the complete solution to poverty and drought
Table - 5.9: Performance of DPAP

<table>
<thead>
<tr>
<th>Period</th>
<th>Allocation</th>
<th>Expenditure</th>
<th>Physical achievements 000 ha</th>
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<tbody>
<tr>
<td></td>
<td>Rs. lakh</td>
<td>Rs. lakh</td>
<td>Land</td>
</tr>
<tr>
<td>7th Plan</td>
<td>46276</td>
<td>46186</td>
<td>4775</td>
</tr>
<tr>
<td>1990-91</td>
<td>10223</td>
<td>9389</td>
<td>1430</td>
</tr>
</tbody>
</table>

affected poor people. There is no evidence that drought-proofing in any of the DPAP blocks, although the programme is running for many years. After reviewing the function of this programme the Planning Commission has concluded that the constraints for which it suffered has not been financial but organisational inadequacies and lack of a clear-cut plan of development of the area to which coordinated effort of all concerned agencies are directed. Hanumantha Rao\(^{36}\) identified five major characteristics of regions, including drought prone areas, which are responsible for low performance of such developmental programme, such as (i) poor resource base and poor infrastructure, (ii) low levels of living and lack of enterprise, (iii) misallocation of public resources, (iv) deficiencies in administration, and (v) weaker bargaining power.

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5.14 SUMMING UP:

After a brief review of the performance of all rural development programmes and all anti-poverty programmes are clear-cut conclusion can be inferred that the earlier expectation of reducing and eliminating rural poverty, rural backwardness through development planning to a significant extent has not yet been fully satisfied. In some cases the impact on rural poverty and backwardness is negligible whereas in some other cases the result exhibit only marginal impacts. The performance of all these programmes have varied from state to state and from region to region depending upon, inter alia, the disparities in infrastructural base and administrative efficiency and peoples involvement.

A common factor underlying the failure of specific schemes is the absence of serious and imaginative local level planning and decentralised approach. This in turn leads to various imbalances that negate the potential benefits of many projects. To use Osmane's formulation, 37 these failures are the effect of mismatches:

a) between the structure of assets (and final output) created by the programme and the pattern of demand (or macro mismatch),

b) between the nature of demand for assets generated by the programme and the potential supply of assets, and

c) between the type of asset and the preexisting resources (including labour) of the beneficiary households (micro mismatch).

The communication style and structures are such that keeps the village people nearer the village level functionaries, and far away from higher administrative limbs. It is almost impossible for them to develop appropriate links with the top and middle-level officials. Major difficulty of the beneficiaries relates to their extremely low informational access and their inability to understand the operational dynamics of the existing rural development programmes. High incidence of illiteracy prevents them from making use of any written document or communications. Their colossal poverty prevents them to appreciate highly ambitious development schemes. They need very low-cost and easily manageable programmes, yielding immediate benefits.

Almost all the programmes were based on the concept of palliatives and adhoc relief. Clear conceptual basis was lacking with almost all the approaches. The standardisation of operation under these programmes and infrastructural difference between states caused inter-regional variations in their efficacy. They do not allow to adopt an intensive
treatment to rural backwardness of a given block/village or to the incidence of poverty of a class/household. It means the inflexibility in the programmes did not see whether a particular scheme is operationally suitable economically feasible and environmentally and otherwise sustainable for a particular region or locality. All these programmes remained essentially top-down ventures.