CHAPTER II

VILLAGE DEVELOPMENT: A CONCEPTUAL ANALYSIS
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The concept of development gained currency after the World War II and has been defined by most economists, in the operational sense, as growth of the per capita gross national product (GNP). There has been considerable criticism of this approach to development in view of a large number of developing countries failing to achieve a satisfactory rate of growth of per capita GNP. A number of observers have concluded that this has been basically due to the insufficient attention given to social and political factors in planning. Thus there is a need to define development all inclusively.

Development: Concept

The word development means progress, advancement and improvement. In the present day World, development has been viewed not a mere economic growth but as 'growth, evolution, stage of inducement or progress' and often referred to the process of change aiming at progress in all directions. Development is a dynamic activity and is an integrated process involving human, social, economic, political and environmental improvement. According to Webster dictionary, "To develop is to unfold gradually like a flower from the bud". Development may be defined as an activity or process of both qualitative and quantitative change in the existing systems, aiming at immediate improvement of living conditions in future.
It has been conceived as a multi dimensional process involving major changes in social structures, popular attitudes and national institutions, as well as the acceleration of economic growth, the reduction of inequality and the eradication of absolute poverty. Development further has been defined in terms of ‘progressive reduction and eventual elimination of malnutrition, disease, illiteracy, squalor, unemployment and inequalities’. In course of time, the goal of development has as such become the enrichment of the quality of life and its availability to all sections of the population.

Development, in consequence, has been a multifaceted and multidimensional concept and it is therefore, defined differently by different scholars. No single definition can provide a precise meaning to the term development. A combined view on the concept extended by different scholars may convey greater clarity on the matter. Professor Gerald E Caiden’s point in the matter is pertinent:

“Nobody really knows what the word development really stands for any more. Economists identify it with economic productivity; Sociologists with social change or social differentiation; political scientists with democratisation, political capacity or expanded government; administrators with bureaucratisation, optimum efficiency, performance or capacity of assume all burdens”.

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11 Ibid.
12 Caiden, Gerald E., as quoted Ibid.
Leopold Laufer has the following observations on the term development:

Development "means dams and factories, roads and canals, bush-clearing, electrification, soil improvement, universities, secondary schools, sanitation, research and a multitude of other activities and achievements. But above all, development means people. The preparation and activation of people is the cause of economic and social development".13

Further, Rosenstein Rodan, a well known expert on economic development, has emphasised that "national development objectives relate not only to a rate of growth, but also to income distribution and other social goals".14 Development in the new perspective has been referred to as an overall process of transforming men and societies leading to social order in which every human being can achieve moral and material well being.15 It is also referred to as a whole; an integral, value-loaded cultural process encompassing the natural environment, social relations, education, production, consumption and well being.16

The Study Guide on Development of the Food and Agriculture Organization (FAO) describes the nature of development as under.

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"The ultimate purpose of development is to provide everyone with ever-increasing opportunities for a better life. It, therefore, acquires an equitable distribution and income and other social resources in order to promote justice and efficient production, to raise levels of employment substantially, to expand and improve facilities for education, health, nutrition, housing and social and cultural well being. The qualitative and structural changes that development thus imposes on society must go hand in hand with economic progress while racial, ethnic and social inequalities must be substantially reduced. These are decisive factors in hastening development...”\textsuperscript{17}

The World Bank has similarly set six attributes for a community to call itself developed. These are absence of poverty, low mortality rate for children and pregnant mothers, primary education for all, health for all, gender equality, environment protection with sustainable development.\textsuperscript{18}

Perhaps the simplest definition of development is given by Robert Chambers, for whom development means just ‘good change’. Development may entail disruption of established patterns of living. Nevertheless, over the long term it implies increased living standards, improved health, and well being for all, and achievement of whatever is regarded as a general good for society at large.\textsuperscript{19}

David Korten\textsuperscript{20} outlined a ‘People-centred vision of development’ and the basis of it he described as follows:

\textsuperscript{17} Food and Agriculture Organization, United Nations, Rome, \textit{Study Guide on Development}, Freedom from Hunger Campaign / Action for Development, p.5.
\textsuperscript{18} Source : www.worldbank.org/data/dev/devgoals.html.
\textsuperscript{19} Allen, Tim and Thomas, Alan., (Eds.), ‘Meanings and Views of Development by Alan Thomas’, \textit{Poverty and Development into the 21\textsuperscript{st} Century}. The Open University in Association with Oxford University Press, 2000, p.23.
\textsuperscript{20} Korten, David., as quoted \textit{Ibid.}, pp.32-33.
“The survival of our civilization ... depends on committing ourselves to an alternative development practice guided by the three basic principles of authentic development: justice, sustainability and inclusiveness. Justice: Priority must be given to assuring a decent human existence for all people; Sustainability: Earth’s resources must be used in ways that assure the well being of future generations. Inclusiveness: Every person must have the opportunity to be a recognized and respected contributor to family, community and society.”

Dudley Seers\textsuperscript{21} in his article ‘The Meaning of Development’ suggested that the realisation of the potential of human personality... ‘is an universally acceptable aim’ and development must therefore entail ensuring the conditions for achieving this aim. The first three conditions were: the capacity to obtain physical necessities (particularly food); a job (including studying, working on a family farm or keeping house); and equality, which should be considered an objective in its own right. Seers also recognized the political dimension and suggested three more conditions for development; participation in government; belonging to a nation that is truly independent, both economically and politically; adequate educational levels (especially literacy). Seers’ formulation was designed to challenge the economic basis of the type of vision of development with the emphasis on productivity, growth, and increasing GNP per capita.

Alan Thomas\textsuperscript{22} advocated human-needs centred development by extending Seers’ six conditions for development to a list of nine. These are: low levels of material poverty; low level of unemployment; relative equality; democratisation of political life; ‘true’ national independence; good literacy and educational levels; relatively equal status for women; sustainable ability to meet future needs; human security.


\textsuperscript{22} Allen, Tim and Thomas, Alan (Eds.), ‘Meanings and Views of Development by Alan Thomas’, Poverty and Development into the 21\textsuperscript{st} Century, Op. Cit., p.34.
Similarly, Porter\textsuperscript{23} defined development as a complex of three important criteria: economically, sharp and sustained increase in national product; socially, redistribution of national income on an egalitarian basis and incorporation of marginal masses into the money-economy; culturally, emergence of a new social image.

Thus, the term development indicates—overall process—social, economic, cultural and political improvement of a country. It does not aim only at economic growth. It is to take into account each one of the following factors.\textsuperscript{24}

1. Basic need of the poor in urban and rural.
2. Human resources and demographic values.
3. Social justice and equitable income and material distribution.
4. Self-reliance and self determination.
5. Peoples participation and involvement.
7. Cultural heritage and traditional values.
8. Sustainability.

Development therefore has been perceived as a multidimensional process involving the reorganization and reorientation of entire economic and social system. In addition to improvements in income and output, it involves racial changes in institutions, social and administrative structures, as well as in popular attitudes and in many cases even customs and beliefs. Finally, although development is usually defined in national context, its widespread realization may necessitate fundamental modification of the international, economic, social and political systems as well.


Objectives of development

All societies must have at least the following objectives irrespective of what development means to them.

(a) To increase the availability and widen the distribution of basic life-sustaining articles such as food, clothes, health care, shelter and security.
(b) To raise standards of living, including in addition to higher purchasing power, the provision of more jobs, better education and greater attention to cultural and humanistic values.
(c) To expand the range of economic and social choice to individuals by freeing them from servitude and dependence.

Village development

Development as a concept when applied in the specific context of village areas acquired a new meaning as village development. Fundamentally, development of rural or village areas means not only the aggregate development of the village areas but also development of the people living in village areas. While development aims at overall progress, village development obviously stands for the improvement of village areas in all directions. Village development which is otherwise can be described as "A challenge for a mission to fight against poverty, illiteracy, stagnancy, unemployment, ill health and various socio-economic static and dynamic backwardness".

However, the concept of 'rural development' or village development needs a clarity at this point of our discussion. The term has two words—"Rural" and

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development. But there is no universally acceptable definition of rural development and the term is used in different ways and in vastly divergent contexts. As a concept, it connotes overall development of rural areas with a view to betterment of the life styles of rural people. In this sense, it is a comprehensive and multidimensional concept and encompasses the development of agriculture and allied activities, village and cottage industries and crafts, socio-economic infrastructure, community services and facilities and above all the human resources in rural areas. As a phenomenon, it is the result of interactions between physical, technological, economic, socio-cultural and institutional factors in the rural areas. As a strategy, it is designed to improve the economic and social well-being of a specific group of people—the rural poor. As a discipline, it is multidisciplinary in nature—representing an intersection of agricultural, social, behavioural, engineering and management sciences. So, it is a complex phenomenon covering a wide spectrum of activities meant to ameliorate the condition of people, living in rural areas. The World Bank rightly defines it as “a strategy to improve the economic and social life of a specific group of people, the rural poor. It involves extending the benefits of development to the poorest among those who seek livelihood in the rural areas. The group indicates small farmers, tenants and the landless. The objectives of rural development, therefore extend beyond any particular sector. They encompass improved productivity, increased employment and thus higher incomes for target groups as well as minimum acceptable levels of found, shelter, education and health”. In the words of Robert Chamber, “Rural development is a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what

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they want and need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of rural development.” The group includes small scale farmers, tenants and the landless. According to Ensminger, “Rural development seeks to involve a process of transformation from traditionally oriented rural culture towards an acceptance and reliance on science and technology”. Uma Lele defines “Rural development is an improvement in the living standard of the masses of low income population residing in rural areas and making the process self-sustaining.” Rural development is also defined as “systematically organized process which results into sustained higher levels of income of people living in rural areas over pretty long period of time”. The process includes all the conscious human efforts which are mainly directed towards.

1) taking stock of the present activities.
2) Finding out the causes of backwardness.
3) Searching for the potentials of development.
4) Chalking out programmes, strategies and actions.

The rural development may mean any one of these, depending upon one’s focus.

Importance of village area and village people in India

For the purpose of our study, we consider rural development as a process of developing and utilizing natural and human resources, technologies, infrastructure facilities, institutions and organizations and government policies and programmes

to encourage and speed up economic growth in rural areas, to provide jobs and to improve the quality of rural life towards self sustenance. In addition to economic growth, this process typically involves changes in popular attitudes and in many cases even in customs and beliefs. In a nutshell, the process of rural development must represent the entire gamut of change towards progress, both material and mental. Village development in India is particularly important because major part of India happens to be agrarian. In fact, real India lies in rural India. India is a land of villages with nearly 5.68 lakh of villages. India lives in its villages. Indian culture developed and flourished primarily in the rural communities. Since time immemorial India has been, still continues to be and will remain in the foreseeable future, a land of village communities. As a matter of fact, the village was the basic unit of administration for back as the vedic age. There are references to Gramini village leaders in the Rigveda. The predominantly rural character of India’s national economy is reflected in the very high proportion of population living in rural areas. It was 89 per cent in 1901, 83 in 1951, 80 in 1971, 77 in 1981 and 70 in 2001. The activities of rural people in the context of the development process are many and significant. Rural people who are engaged primarily in the agricultural sector, contribute nearly 40 per cent to the total National Income of India. They produce and supply a variety of food items for a fast growing population. They also supply raw materials for on expanding manufacturing sector and certain agricultural products for export purposes to earn precious foreign exchange needed for the payment of import of capital goods. Since nearly seventy per cent of the population live in village areas, they are major source of demand and market for industrial products. The contribution of rural areas to defence personnel

is no less important as many from the rural areas volunteer to join the defence services and are prepared to sacrifice their lives in defence of the country. As more than 500 million rural people play a significant role, any strategy of socio-economic development in India that neglects villagers and the villages can not be successful. The rural character of the economy and the need for the regeneration of rural life therefore was stressed by Mahatma Gandhi who said, “I would say that if the village perishes, India will perish too. It will be no more India. Her own mission in the world will get lost. The revival of the village life is possible only when it is no more exploited.” But unfortunately over 31 crores of rural people in India do not have adequate income, employment opportunities fall short of demands coupled with illiteracy and ignorance, land under cultivation is not only diminishing, but also gets further fragmented, ecology degraded, infrastructural facilities do not match with the gravity of rural population. So it is rightly remarked that “the Indian peasant is born in debt, lives in debt, dies in debt and bequeaths debt.” In addition, rural population is unorganised. The apathy of the villagers is accentuated by the social and deep rooted caste hierarchy. The village level politics has further deteriorated with the dilution of spiritual value system. To lift the people from these moorings, Integrated Rural Development is the only answer.34 Though man cannot overcome all the limitations his environment imposes upon him, he can always attempt to modify it to suit his convenience. In this context, Gandhiji in his concept of “Gram Swaraj” has rightly said “Remember that dark, brown starved man, bending under a scorching sun, scantching a little plot of land to ere out a living—Anything you do, do it for his benefit.” He further said—“It would be the bounden duty of the National

government of India continually to give preference to those people and even free them from the burdens under which they are being crushed.” So in this direction rural development is the core of development and is a continuous process.

In order to alleviate the lot of the rural poor, comprising the small and marginal farmers, landless labourers, rural artisans, women, tribals etc., the central government as well as the state government operates various programmes since the First Five Year Plan. Broadly speaking, these schemes are either beneficiary oriented or directed towards infrastructure strengthening activities that have an indirect, long term impact on the rural population. In addition, there are some time-bound programmes limited to small geographic areas. In a way, these programmes are economic oriented and, as such, touches only one aspect of rural development i.e. improving income generation of the beneficiaries.35 The dilemma will still be there, as to how to make life better for rural poor without encouraging the migration to urban areas and still improving their chances of work and livelihood.

**Main issues of rural development**

The main issues are growing rural population, inadequate infrastructure, ill-health, fragmentation of land, continued exploitation of rural poor (weaker sections and women), illiteracy, ignorance, deep rooted apathy, abject poverty, debased value system, under employment, unemployment, lack of direction, social pressures, social evils, blind urban imitation, destruction of ecology, lack of awareness etc. The list is unending. Both rural areas and rural people are to be put on the development process.

Village development: A historical overview

With the end of the colonial rule in the third world countries, emphasis was laid by planners, policy makers and administrators on developing the rural areas in those nations as a majority people in such countries lived in the villages in the midst of abject poverty, malnutrition, insanitary living conditions and ignorance. To combat these problems, Asian countries in particular and the third world countries in general, for the last quarter centuries or more “have undergone a massive experimentation in rural development”. While the community development programmes were adopted as initial measures in mid fifty (1950) for achieving village development, the severe food crisis during 1960’s forced the developing countries to go for agricultural development, popularly known as Green Revolution. But agricultural development approach was aimed at mere production dimension and resulted in ‘class hatred’ and ‘social tensions’ in many parts of rural Asia. Consequently, there evolved a new policy called “Rural Development” taking both agricultural and non-agricultural aspects of rural lives. In spite of this approach, socio-economic condition of rural Asia did not show significant change and rather generated ugly facts. During mid 1970’s there emerged a new approach called “Integrated Rural Development” aiming at a direct and frontal attack on rural poverty.

The above discussion reveals that various approaches like ‘community development’, ‘Green Revolution’, ‘Agricultural development’ ‘Rural development’ and finally ‘Integrated rural development’ have been made for the general welfare of the rural inhabitants. In course of time, rural development has become a total development process involving both the economic and socio-political development of rural areas as part of the modernization of the entire society.43

**Historical perspectives of Rural Development in India**

Since the ancient times till independence, India has been ruled under different rulers. As such, approaches to rural development have been varied differently from time to time. In order to study the propensity of rural development and its conceptualisation, it has to be viewed in its historical prospective.

The history of rural development in India can broadly be analysed under the following three heads.

1. Rural development in the ancient India.
2. Rural development in the British India.
3. Rural development in the post-independence period.

**Rural development in ancient India**

The history of the villages is as old as the Indian civilization.44 The concept of villages and the rural development is not only found in the vedic literatures, it has also occupied its place in the post-vedic literatures. While the ‘Rigveda’ and the ‘Yajur-veda’ advocated methods like common assembly and common thought,

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the Upanishadas had emphasized the importance of development of the total human personality which, according to these, develops, when human beings live together and work for a common ideal.45

Manu, the Hindu law-giver, in his writings,(C-200 B. C – 2nd Century A. D) said that the village was the fundamental unit of administration with its own officers and organizations.46 It was the basic unit in ancient India that functioned for the rural development.47 Further, the excavations at Harrappa and Mahanzodaro had revealed how development was conceived through proper planning in the Indus-valley during the pro-historic periods.48 During the later period, when the society became more complex, the three major ideologies like Hinduism, Buddhism and Jainism established the concept of whole world as one family and the prosperity of one being linked with the well being of the other. Thus, these contained the concept of rural development in its embryonic form. Many princes and merchants of idealistic frame of mind executed these ideas into action, but they left no organisational apparatus behind to carry on the welfare work beyond their lifetime. The life of the programme coincided with that of the benefactors.49

Rural development in British India

During the 19th century, the christian missionaries played an active role in rural regeneration. The missionaries initiated definite “organised steps for the economic and social uplift of their converts”,50 through the most common way of

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47 Biswal, Purosottam, Rural development through Nationalised Banks in Orissa with special reference to cuttack district (1969-84), Thesis Submitted to Utkal University for degree of philosophy in public Administration, Department of Pol. Sc, Utkal University, Bhubaneswar, 1988, p.75. (Unpublished)
50 Ibid, p. 4.
settling them on lands, employing them in factories and workshops which were started for the purpose. This led to the positive contribution towards the improvement of Indian farming and the village life.\textsuperscript{51}

In the princely states, the rural reconstruction experiment was started by the Maharaja Sayyaji Rao Gayckward-III over the whole state of Baroda as soon as he assumed office in 1885. The basic approach to rural development adopted by him was collaborative working of different departments with the people, which resulted him in achieving success in this direction.\textsuperscript{52}

During the British period when the East India Company started to exercise political control over the Indian regions, it remained apathetic to any form of rural development.\textsuperscript{53} Even after the transfer of power to the crown in 1858 the British Administrators did not take interest to promote the rural life.\textsuperscript{54} However, the Manchester Cotton Supply association took an interest\textsuperscript{55} in the promotion of agricultural improvement in India and advocated for the establishment of a special Department of Agriculture in each province.

In course of British rule, a significant step was taken in improving the economic standards of the rural farmers. The government adopted the system of advancing the ‘Takkavi Loans’ to “proprietors, farmers, subordinate tenants and ryots for embankments, tanks, water courses etc.”\textsuperscript{56} But the government loans could not become popular among the farmers as the repayment of such loans was

\textsuperscript{52} For details, see Kavoori, J. C. \textit{et.al.}, \textit{History of Rural Development in Modern India}, Vol. I, Impex India, New Delhi, 1967, pp. 28-88.
\textsuperscript{54} \textit{Ibid}, p. 21.
\textsuperscript{55} Mukharjee, T. N., \textit{A Hand Book on Indian Products}, 1883, p65, as quoted by Bhattacharya S. N. \textit{Ibid}, p.21.
\textsuperscript{56} The Report of the Royal Commission on Agriculture in India, Government of India, 1928, p. 417.
enforced with greater rigidity.\textsuperscript{57} It was the famine in India which forced the British Indian Government's involvement in a sphere which, even in Great Britain, was thought to lie outside the rightful jurisdiction of the state at that time. The dominant philosophy of the state was laissez-faire, and the best government was described as are which ruled the least.

The rural development functions in India were assumed by the government in the context of recurrent famines, but in the beginning, they did not have any legal sanctions behind them. Rural development, thus began as a humanitarian act, and the practice was not backed by any executive or legal sanction in the beginning. Later on, the British government was forced to set up Famine Commission in 1880 in order to deal with the problem caused by repeated droughts and famines in the country. It made recommendations for land reform and administration, agricultural improvement, construction of railways and the communication system, extension of the canal system and expansion of protective works. The Famine Commission observed, "Agricultural prosperity in ordinary times was the best shield against the difficulties and trials of a season of drought."\textsuperscript{58} It were the reports of such commissions which motivated the British Administration to initiate definite measures for agricultural improvement, there by achieving certain degree of rural development in India. However, the British government took more positive steps in the field of rural development in the beginning of the 20th century. Lord Curzon, particularly took a number of steps like application of scientific method to agriculture and establishment of a central Research Institute and agricultural colleges for realising agricultural development in India.\textsuperscript{59}

\textsuperscript{57} Bhattacharya S. N., \textit{Rural development in India and other developing countries}, Metropolitan, New Delhi, p. 24.


Rural development received mass popular support for the first time, with the entry of Mahatma Gandhi into Indian Public life. The Non-cooperation movement, started by Mahatma Gandhi in 1920, was the first political attempt in India to mobilise the villagers and ruralise politics. The Non-cooperation Resolution, moved by Mahatma Gandhi and passed by the Indian National Congress in its Calcutta Session of September 1920, articulated the approach to rural development by recommending “hand-spinning in every house and hand-weaving on the part of the millions of weavers who have abandoned their ancient and honourable calling for want of encouragement”. Khadi became the dress of India’s freedom fighters, and its adoption by the congress was the first genuine organised concern for the rural poor. The spinning of wheel economy, adopted at this time by the Mahatma, was the first voluntary exercise in rural development in India. As a result of Gandhiji’s efforts, the new ‘wave of back to the villages’ movement quickly spread far and wide. Voluntary activities in the field of rural development occurred.

While Gandhiji tried to achieve rural development through a system of self-supporting and self-governing villages, Rabindranath Tagore worked for integrated rural development through promoting consciousness among the rural people regarding their problem. Tagore set up the Sri Niketan Institute of Rural Reconstruction in 1921 with the aim of making the rural population ‘self-reliant and self-respectful’. In the same year Martandam experiment was started in Kerala under the leadership of Spencer Hatch of the Young men’s Christian

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Association “to bring about a complete upward development towards a more abundant life for rural people, spiritually, mentally, physically, socially and economically”.

These were entirely voluntary efforts, but in the process, even the government’s attention began to turn to the villages. A most notable name, in this respect, is F.L. Brayne who started in 1927 a programme of rural reconstruction based on the ancient virtues of hard work, thrift, self-respect, self-control, self-help, mutual help and mutual respect. Similarly, in 1932 the princely state of Baroda launched a broad-based programme of rural amelioration to promote the will to live better and a capacity for self-help and self-reliance. Another rural development step was the FIRKA DEVELOPMENT scheme. This programme was launched by the then composite Madras state government in 1946. This scheme was first launched in 34 selected “Firkas”. Education, improved roads and communication and better sanitation were available in rural areas.

Rural Development in the post Independence Period

It was only after the country’s independence that rural development acquired a high level of priority in the hands of new leaders. India after independence took a more systematic and scientific step in promoting rural development. A number of provisions were adopted into the constitution of

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65 F. L. Brayne was the District Collector, Gurgaon, who experimented with rural development in Gurgaon in 1920. See for details Brayne, F. L. *Better Villages*, Oxford University press, Bombay, 1946, p.268.
66 Maheswari, S. R. *op. cit.*, p.25
69 Soon after independence, several states initiated rural upliftment programmes being inspired by the ideals of Gandhiji. Some of the important programmes are the Sarvodaya Scheme of Bombay (1948) and Etawah Project (1948) in Uttar Pradesh.
60 Some of the important Articles of the constitution in this regard are Article 38 (1) on promotion of welfare of the people, Article 40 on provision for reorganisation of Village Panchayats ; Article 43 on a
India, particularly part-iv (Directive Principles of State Policy) of the constitution covered essential provisions which cater to rural development policies in the country. In this direction greater attention was given in achieving economic development of the villages through the measures like land reform, abolition of zamindari system and introduction of the Five Year Plans. With this aim in view the Planning Commission was set up in March, 1950 and in December 1951, the First Five Year Plan was presented to the nation.

While the First Five Year Plan (1951-1956) emphasized on “community development programme” and “National extension service” through the ‘democratic planning’, the Second Five Year Plan (1956-61) advocated for “Socialistic pattern of society” in promoting welfare of the rural inhabitants. For an effective rural development through people’s participation, the institution of Panchayat-Raj was established during the second plan period on the recommendations of the ‘Balvant Rai Mehta Committee’ in 1957. Moreover, important programmes like Khadi and village Industries programme (1957), Multipurpose Tribal Development Block programme (1959) and Intensive Agricultural District Programme (1960) etc. were introduced during that period for achieving greater development.

descent standard of life to all workers, agricultural, industrial or otherwise; Article 47 on raising the standard of life of the people and Article 48 provides for the organisation of agriculture and animal husbandry on modern and scientific lines. For details, see the constitution of India.


The Community Development Programme was initiated on Gandhiji’s birthday on 2nd October, 1952 to tackle the problems of the rural areas. This programme was critically analysed by Carl. C. Taylor, the Ford Foundation consultant on “Community Development”. For details, see Carl., C.Taylor, A critical Analysis of India’s Community Development Programme, Community Projects Administration, Government of India, 1956, p.32.

The Community Development Programme (1952) was Supplemented by “National Extension Service” (1953). For its implementation, the country was divided into blocks headed by Block Development Officers. Each Block Development officer was assisted by some technical experts known as Extension Officers and Village Level Workers, to carry the message of the programme to the door of the rural public and transmit back their problems to the block for solution. See S. R. Singh, ‘Nature and scope of people’s participation in R. D’., Kurukshetra, Vol. XXXV, No. 10, July, 1987, p.39.

A three-tire organization of Panchayat Raj – consisting of village Panchayat at the village level, Panchyati Samiti at the block level and Zilla Parishad at the district level was established in 1959.
The Third Five Year Plan (1961-66), on the other hand, laid importance on the eradication of poverty. For the purpose, attention was given in achieving self-sufficiency in food grains and increasing agricultural production. Corresponding to these goals, certain important programmes like Intensive Agricultural Area Programme (1964) and High Yielding Variety Programme (1966) were implemented during this period. The Fourth Five Year Plan (1969-74) aimed at raising the standard of living of the less privileged section of the society. In order to realize this goal, the government of India took a bold step in nationalizing fourteen major commercial banks in 1969 and involving them with the rural development programmes. Smt. Indira Gandhi, the then Prime Minister of India, initiated the idea of ‘Garibi Hatao’ (Remove Poverty)\textsuperscript{74} which resulted in the introduction of a number of poverty alleviating programmes like Small Farmers Development Agency (1971), Tribal Area Development Programme (1972), Minimum Needs Programme (1972) etc. The Fifth Five Year Plan (1974-79) on the other hand, made a new approach to the concept of Rural Development. It advocated the principle of “development with social justice” for realising advancement in the rural sector. Consequently, the Special Livestock Production Programme in the year 1975\textsuperscript{75} and Food Works Programme\textsuperscript{76} were started during this period. The most important Programme on rural development, namely the Integrated Rural Development Programme (1978)\textsuperscript{77} was adopted during this period. It was further supplemented with the training of Rural Youth for Self-employment Programme (1979). Moreover, in order to expand the base of rural credit, Regional Rural Banks were established in the year 1975.

\textsuperscript{74} Smt. Indira Gandhi in her election campaign in the general election of 1971 had given a call for ‘Garibi Hatao’.
\textsuperscript{76} \textit{Ibid.}
\textsuperscript{77} On 2\textsuperscript{nd} October, 1980, Integrated Rural Development Programme was extended to all the 5, 011 blocks in the country.
The objectives of Sixth Five Year Plan (1980-85) and Seventh Five Year Plan (1985-90) was the “progressive reduction in the incidence of poverty and unemployment”, improving the quality of life of the people in general with special reference to the economically and socially handicapped population. In this context, three important programmes known as National Rural Employment Programme (1980), New Twenty Point Programme (1980), Development of Women and Children in Rural areas (1983) were adopted. Six more commercial banks were nationalised in the year 1980 in order to accelerate the tempo of rural development in the country. The National Bank for Agriculture and Rural Development was set up in 1982 for providing adequate financial help for the promotion of rural development. Similarly, during the Seventh Plan Period increased employment opportunities and redistribution of income and consumption in favour of the poorest section was attempted through a new programme called Jawahar Rozgar Yojana (1989) February.78 The guiding principles of the Eighth Five Year Plan (1990-95) was to promote the sustained growth of the economy. The stress was on employment particularly in the private sector. It also lays stress on decentralization of planning. Nearly half of the resources are earmarked for agriculture and allied activities. The basic principles of the Eighth Five Year Plan therefore were employment, productivity, decentralization and improvement of standard of living. The trust areas included agriculture, Employment generation, infrastructure, minimum needs programme and strengthening of the local participation in the economic development.

The Ninth Plan (1997-2002) put emphasis on rural development through Self Help Groups and Swarnajayanti Gram Swarojgar Yojana was introduced.79

The Tenth Plan (2002-2007) strengthened implementation of SGSY as a comprehensive programme to remove rural poverty and emphasised on building rural connectivity for all round development of villages.80

Our analysis in the preceding paragraphs makes it clear that during the post-independence period a large number of rural development programmes and schemes had been adopted by the government of India, particularly through the Five Year Plans. As these programmes themselves represent the different dimensions of rural development in India, we have made an attempt to study in brief the nature and objectives of such programmes in the following paragraphs.

Nature & Objectives of Rural Development Programmes

Rural development in a country like India largely hinges upon the development of its rural economy. On the other hand, the development of rural economy is dependent, inter-alia, on the availability of credit.81 Of the number of programmes implemented since independence for rural development, all are credit linked and have been implemented through the commercial banks and later on through the nationalised banks. Some of such important programmes are the priority sector advances, Integrated Rural Development Programme and Swarna Jayanti Swarojgar Yojana. Let us have a brief discussion on each of these programmes.

Priority sector advances

The concept of priority sector advance originated on 24th July, 1968 with the aim of utilising the commercial banks in advancing greater amount of financial assistance on agriculture and small scale Industries.82 By 1972, the segments like

80 www.Pmgsy.nic.in/
82 The concept originated in the second meeting of the National Credit Council held at new Delhi on 24th July, 1968.
retail trade, small business, professional and self-employed persons and education were brought under the priority sector.83 Gradually, priority sector covered the anti-poverty rural development strategies which were adopted through the nationalised banks, by the end of 1982.84 The Banks were instructed to advance at least 40% of their total aggregate credit to the priority sector.85 The chief objective in this regard was to extend institutional finance to the weakest among the weaker sections of the society. Our analysis on the priority sector advances86 would be inadequate without a study into the progress made under this scheme. The following Table No. II :1 shows the advances extended by the Banks on the priority sectors during the period between 1969-2005 followed by the Diagram No. 1.

Table No. II :1
TRENDS OF ADVANCES TO PRIORITY SECTORS BY PUBLIC SECTOR BANKS (1969-2005) (Rs. In crores)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Priority Sector</th>
<th>Total Bank Credit</th>
<th>% of Column 2 to 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1969</td>
<td>441</td>
<td>3016</td>
<td>14.62</td>
</tr>
<tr>
<td>June 1979</td>
<td>5233</td>
<td>13997</td>
<td>37.38</td>
</tr>
<tr>
<td>December 1985</td>
<td>20544</td>
<td>48067</td>
<td>42.74</td>
</tr>
<tr>
<td>June 1990</td>
<td>38949</td>
<td>91302</td>
<td>42.65</td>
</tr>
<tr>
<td>March 2000</td>
<td>115267</td>
<td>269650</td>
<td>42.74</td>
</tr>
<tr>
<td>March 2005</td>
<td>400775</td>
<td>1092030</td>
<td>36.69</td>
</tr>
</tbody>
</table>

Source – Compiled and computed from Banking Statistics, Reserve Bank of India, March 2006.

Total priority sector includes : Agriculture + Small scale Industries + other priority sector

83 This was done on the basis of the report submitted by the informal study group on statistics in 1971.
85 As per Krishnaswamy Committee Report (1980) as well as Ghosh Committee Report (1982), this was to be achieved by the end of the March, 1985.
86 Later on, the Reserve Bank of India included Small Road and Water Transport Operators, State Sponsored Organisation for scheduled castes and scheduled tribes. Housing and Consumption under Priority Sectors. For details, See credit Information Review, No. 65, December, 1984, pp. 1-3.
Diagram No. : 1

It is seen from the aforesaid Table No. II : 1 as well as Diagram no. 1 that considerable amount of credit had been extended by the banks in the priority sectors like Agriculture, small scale Industries etc. during the period between 1969 to 2005. The total priority sector advances by the commercial banks had increased from 3016 crores in 1969 to 269650 crores in 2000.

**Integrated Rural Development Programme**

The Integrated Rural Development Programme (I.R.D.P.) was the most important anti-poverty programme implemented during the Sixth Five Year Plan in all the community development blocks in India.\(^{87}\) The objectives of the IRDP was to provide full-employment through productive programme in the selected areas. This programme was intended to promote the welfare of the rural people in general and the weaker sections in particular by improving their social-economic conditions and to narrow down the inequalities in the rural community.\(^{88}\) The IRDP programme for its greater success, adopted a training programme, namely “Training of Rural Youth for self employment” in order to qualify the rural youths with required skill so that they could be well benefited out of the aforesaid programme.\(^{89}\)

**Prime Minister Rojgar Yojana**

It was launched on 2\(^{nd}\) October, 1993 to assist educated unemployed youth to set up self employment ventures.\(^{90}\) The scheme targeted for setting up to nearly seven lakh enterprises and consequent employment generation to more than one

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million educated unemployed youth in the last four years of the Eighth Five Year Plan. Initially, the scheme was implemented only in the urban areas of the country. Since 1994-95, it is in operation in both urban as well as rural area. The scheme continued in the Ninth Five Year Plan with the plan target of eleven lakh beneficiaries with annual target of 2.20 lakh beneficiaries. The PMRY is continuing in the Tenth Five Year Plan also.

The PMRY has been designed to provide employment to more than a million persons by setting up seven lakhs micro-enterprises by the educated unemployed poor during the last four years of Eighth Five Year Plan i.e. 1993-97. It relates to the setting up of the self-employment ventures in all economically viable projects (except direct agricultural operation) like Industries, services and business. The scheme also seeks to associate reputed Non-governmental organisation in implementation of PMRY Scheme especially in the selection, training of entrepreneurs and preparation of project profiles.

Swarnajayanti Gram Swarojgar Yojana

A new programme Swarnajayanti Gram Swarojgar Yojana has been launched from April 1999 during the Ninth plan period as a result of the Government's decision to restructure the self-employment programmes. This is a holistic programme covering all the aspects of self employment such as organisation of poor into self-help groups, trainings credit technology, infrastructure and marketing. SGSY is to be funded by the centre and the states in the ratio of 75:25. With the coming into force of SGSY, the previous programmes like IRDP, TRYSEM, DWACRA, SITRA etc. are no longer in operation. The unspent balances as on 1.4.1999 under these erstwhile programmes are to be pooled under the head SGSY and utilised as per the new guidelines.

92 Guidelines, Government of India, Ministry of Rural Development, New Delhi, p.1
The objectives of SGSY will be to bring the assisted poor families (Swarojagaris) above the poverty line in 3 years, by providing them income generating assets through a mix of bank credit and government subsidy. It would mean ensuring that the family has monthly net income of at least Rs. 2000. Subject to availability of funds, the effort will be to cover thirty per cent of the poor families in each block during the next five years. SGSY has also aimed at establishing a large number of micro enterprises in the rural area, building upon the potential of the rural poor.93

Summary

In this chapter, a conceptual analysis a rural development has been made with the concepts of development and rural development. While the first part of the chapter has been concerned with the global approach to rural development along with the growth of the concept in Ancient, British and post Independence period of India, the second part analyses the nature and objectives of rural development programmes in India.

Development has been conceived as a multi-dimensional process involving major changes in Social structures, popular attitudes and national institution as well as the acceleration of economic growth. It involves people, their preparation and activation in the cause of economic and social development. While extending the meaning of development to rural development, the latter is defined as a process of transformation from traditionally oriented rural culture towards an acceptance and reliance on science and technology. Rural development encompasses improvement in level of living, infrastructure development, human/social development and empowerment. In Ancient Indian village was a unit of

development and development was looked upon in terms of happiness and health for all. Though there were not many attempts of development for the point of view of people during medieval and early British period, in latter part of the Nineteenth century, there were efforts from government as well as social minded individuals to develop people.

A systematic approach to rural development could be possible only during the post Independence period through the adoption of Five Year Plans. The government of India implemented numerous rural development schemes for improvement of both agricultural and non-agricultural sectors. In order to achieve rapid development in the rural area, major commercial banks were nationalised and were engaged in advancing sufficient financial assistance to the rural poor. Remarkable steps were taken to remove poverty and tackle unemployment problems in the country.

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