7.1. INTRODUCTION

The present treatise on “Rural Development of Assam in the Era of Inclusive Growth” considers the rural development scenario of Assam in the era of inclusive growth. In the backdrop of the inclusive growth era, the study seeks to find out the importance of rural development programmes implemented in Assam with special emphasis on the Mahatma Gandhi National Rural Employment Guarantee Act and Pradhan Mantri Gram Sadak Yojana. The eleventh five year plan had chosen “Faster and More Inclusive Growth” as its central theme. A host of centrally and state sponsored Rural Development Programmes have been implemented across Rural Assam in the era of inclusive growth. The aim of these programmes has been to enhance the quality of life of the rural poor. During the eleventh plan, two ways were identified through which the objective of inclusive growth could be achieved. The first way was by implementing various rural development programmes and schemes which can deliver benefits to the poor. The second way was through rapid growth itself, creating a multiplier effect on the growth of income and employment opportunities.

In order to address the problems of poverty, unemployment and deficiency of basic amenities of life, the government adopted a series of programmes in the era of inclusive growth. This chapter is an attempt to put forth the findings of the study which can throw light on the various aspects with regard to performance of the rural development programmes. The study gives an idea about implementation of various rural development programmes in Assam together with assessing and analysing their performance. Special focus has been on the MGNREGA and PMGSY. An analysis of the district wise performance of the MGNREGA programme has been carried out in the study to assess the performance level of the programme across districts. The socio-
economic impact along with distribution effect of the MGNREGA programme has been analyzed in the sample districts of Kamrup (Rural) and Sonitpur in Assam. An impact assessment of the PMGSY programme in the connected habitations of the sample district has also been carried out. In all, the thesis tries to address the following two Research Questions:

- Whether the slogan of “inclusive growth” has been realised at the operational level by the various socio-economic interventions of the state?

- Has the Mahatma Gandhi National Rural Employment Guarantee Act operationally resulted in a redistribution of income and wealth in favour of the poor as envisaged in the MGNREGA Act, 2005?

The study is based on both primary and secondary data. The appended sections of the chapter attempt at adducing the findings of the study based on which the conclusion and policy prescription are drawn in the chapter.

7.2. SUMMARY OF FINDINGS

Rural development strategies were initiated along with the Community Development Programme which was introduced in 1952. Rural development programmes have been widely acknowledged with the introduction of five year plan. A host of rural development programmes were introduced in different plan period. The aim of these programmes was to enhance the quality of life of the rural people by way of supplying the basic amenities of life i.e. portable drinking water, uninterrupted power supply, improved rural road infrastructure, education facilities and health facilities.
The concept of inclusive growth implies percolating down the benefits of economic growth to all sections of the society. Some important flagship programmes viz. Mahatma Gandhi National Rural Employment Guarantee Act and Pradhan Mantri Gram Sadak Yojana have been initiated in the era of inclusive growth. These two programmes have been designed to address the problems of rural poverty and unemployment along with asset creation in rural areas.

According to Dr. Manmohan Singh, eminent economist and former Prime Minister of India, there are eight interrelated components of inclusive growth- (i) poverty reduction, (ii) employment generation and increase in quantity and quality of employment, (iii) agriculture development, (iv) industrial development, (v) social sector development, (vi) reduction in regional disparities, (vii) protecting the environment, and (viii) equal distribution of income (Dr. Shukla. Y. 2014)

Again, the rural development programmes are of four types:

1. Wage and Self-Employment Programmes
2. Infrastructure Development and Basic Needs Programme
3. Social Security Programmes
4. Natural Resource Management Programmes

All the above programmes ultimately end up with the components of inclusive growth as specified by Dr. Manmohan Singh.

In Assam too, both the centrally sponsored programmes and those taken up by the state government are collectively working for the betterment of the rural households. The first objective of the study deals with the rural development programmes adopted in Assam in the era of inclusive growth. It is both these two set of programmes taken up in
the state of Assam which have been discussed to address the first objective of the study.

The findings of the first objective are:

1. The Community Development Programme (CDP) had undertaken ambitious schemes and programmes for all-round development of rural areas which included improvement of agricultural techniques, exploring supplementary source of employment, extension of minor irrigation facilities, improvement of transportation facilities, provision of social services and development of co-operatives and panchayats. But the programme failed to fulfill its basic objective of rural development. There were some basic reasons for its failure. As India had just attained independence after two hundred years of long British rule, the CDP programme launched immediately thereafter was not fully equipped in terms of resource, funds and administrative power to implement the programme with a broad base.

2. As a sub-scheme of the Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self-Employment (TRYSEM) was implemented in rural areas. Under this programme, the rural educated unemployed youth from the BPL households were given training on self-employment. But the programme failed to fulfill its basic objectives due to lack of adequate infrastructure to implement the programme. The programme also went wrong in selecting ineligible households at the cost of excluding the deserving poor households due to administrative weaknesses of the programme.
3. The state sponsored self-employment programmes like the Chief-Minister’s self-employment programme and Chief-Minister’s Swami-Niyojan Yojana also provided training to the youth of the state for self-employment. But the scheme mainly concentrated in urban areas and failed to capture the entire state due to lack of infrastructure.

4. The Employment Assurance Scheme (EAS) has been a centrally sponsored wage employment programme which was implemented in Assam also. The two main objectives of the EAS were to provide gainful employment to the rural poor by undertaking projects in drought prone and flood hit and hill areas. The programme extended support to the rural workers who were ready to engage themselves in manual work but did not get employment during the lean agriculture season. Creation of durable social and economic assets for sustainable development was another objective of the programme. But the EAS failed to fulfill its basic objectives of employment generation as the works taken up were not labour-intensive. Besides, due to faulty selection of projects, it did not fare well. However, despite the shortcomings, the programme was able to generate more employment in the non-farm sector in Assam.

5. Under the National Rural Employment Programme, a total 41 lakh mandays of employment was generated in Assam as against a target of 80 lakh mandays during 1982-83. Lack of adequate infrastructure was the main hindrance in the way of its proper implementation.
6. The Rural Landless Employment Guarantee Programme (RLEGP) was launched for improving the quality of life of the backward and marginalised people by providing employment opportunities. The programme also worked effectively in Assam. Later, the RLEGP and NREP were merged into single programme called the Jawahar Rozgar Yojana. A total road length of about 10,493 kms was constructed in Assam during the period 1989-90 to 1994-95 under the programme. However, employment generation under the programme progressively declined over the years, partly due to the low central allocations during the ninth plan period and partly due to the increasing cost of creating employment.

7. The Integrated Wasteland Development Programme (IWDP) was widely implemented in Assam. Till the end of the year 2008-09, 135 projects out of a total of 149 sanctioned projects were completed throughout the State of Assam.

8. A new programme called the Swarna Jayanti Gram Swarozgar Yojana (SGSY) was launched in the year 1999 by merging the TRYSEM, IRDP, DWCRA, MWS, SITRA and GKY. The programme has been recognised as one of the most important self-employment programmes in terms of its target achievement level. Since its inception, a total of 2,75,119 Self Help Groups were formed under the SGSY programme in Assam till 2012-13. Most importantly, 64.94 per cent of these Self Help Groups constituted only women. Among the groups formed, 1,05,169 groups took up economic activities during the same period under the programme.
The programme gave a platform to the rural women to organise themselves for undertaking economic activities.

9. The National Social Assistant Programme (NSAP) has been an important flagship programme under the Social Security Programme category in Assam. The IGNOAP scheme is one of the important components of the NSAP. 46,89,529 of the elderly poor have benefited from the programme in Assam during 2007-08 to 2013-14. The NFBP is another sub-scheme of the NSAP under which 67,609 families have benefited from the programme in Assam during 2007-08 to 2013-14. In terms of target achievement level, the performance of the programme therefore, has been good as it could achieve 87.35 per cent of its target in Assam.

10. The Mukhya Mantri Karma Jyoti Asoni is one of the well-known schemes implemented by Government of Assam. A total of 3,800 artisans have benefited under the scheme in Assam with a financial assistance of 715.09 lakhs during 2010-11 to 2013-14.

11. Under the Udyog Jyoti Asoni sponsored by Government of Assam, a total of 8,826 (83.32 per cent) of the 10,593 unemployed rural youths have benefited in the state during 2005-06 to 2010-11.

12. The wage employment programmes, also known as poverty alleviation programmes have been designed to provide work to the agriculture labour during the off season. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has been considered as one of the most important flagship programmes under wage employment
category in terms of its capacity to generate and provide employment to rural households and also to create rural assets.

The effective implementation of the rural development programmes is largely dependent upon the development of institutional capacity to mobilise the political and economic resources to the advantage of the disadvantaged rural communities. The rural development programmes in the pre-inclusive era stressed upon eradicating social ills (underdevelopment) based on the Gandhian view of a backward society. But the current rural development programmes has two pronged strategy – creating wage employment through public works and generating self-employment through providing training and subsidized loans.

Rural development is the strategy designed to improve the quality of life of the rural poor. Improvement of quality of life of the rural poor depends upon the effective implementation of the rural development programmes. Rural people can have better access to social and economic infrastructure that is provided through rural development programmes if the programmes effectively work in rural areas.

It is seen that most of the centrally sponsored programmes and schemes have succeeded in achieving its target level in Assam. In this regard, the performance of the programmes has been good but it is found that the deserving households have been deprived from the benefits of the programmes due to faulty selection processes. In case of state sponsored programmes also, the eligible and deserving households were deprived from the benefit of the programmes although these programmes too appeared to have achieved its target sets.
7.2.1. MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT AND ITS IMPLEMENTATION IN ASSAM

The Mahatma Gandhi National Rural Employment Guarantee Act is different from earlier programmes because of its demand driven, right based characteristics. Since the programme is the largest programme in terms of employment generation and asset creation in rural areas, hence it has been successful in changing the rural scenario in the country. The programme seeks to ensure 100 days guaranteed employment to the rural households in a financial year. In Assam also, the programme has covered all the districts within its three phases of implementation. The District Rural Development Agency (DRDA) is the nodal agency at the district level to implement the programme and the Gram Panchayat is responsible for implementing the programme at the village level. The performance of the programme is measured based on the number of households provided employment in a financial year, number of households provided 100 days employment and number of mandays generated for women and social groups. It is found that the performance of the programme has not been uniform throughout the state. The performance index shows that some districts have shown good performance while some others have showed medium or poor performance. The findings based on the second objective are discussed below.

1. Women and the disabled have been important beneficiary sections under the MGNREGA programme in Assam. A total of 985.91 lakh mandays were generated for women during 2007-08 to 2015-16 in Assam. The programme has failed to fulfill the basic requirement of the Act which clearly specifies that $\frac{1}{3}$rd of the beneficiary households should be
women. But employment generated for women under the programme has been only 26.35 per cent of the total man days generated during 2007-08 to 2015-16.

Similarly, a total 16,885 mandays were generated for the disabled persons during 2007-08 to 2015-16 in Assam which accounted for 0.16 per cent of the total mandays generated during the period.

2. The total projects sanctioned for different types of work under the MGNREGA has been found to have increased in Assam from 2009-10 to 2012-13. A total of 918 projects were completed under the MGNREGA in 2009-10 which increased to 22,600 in 2012-13. The study also reveals that more projects have been taken up on rural connectivity under the MGNREGA in Assam since 2009-10 to 2012-13. Rural road infrastructure is vital component of rural development. In this regard, MGNREGA has been playing an important role. Irrigation is yet another important area in which work projects have been taken up in almost all the districts of Assam under the MGNREGA programme.

3. The performance of the programme has not been uniform across the districts of Assam. The programme has shown good performance in terms of employment generation and rural asset creation in some districts but in some other districts, the performance has been rather poor.

4. Out of the 27 districts in Assam, eight districts are under Low performance category, 13 districts are under Medium performance category and the remaining seven districts have attained High
performance position based on the index value prepared for measuring
the level of performance of the districts.

5. It is been found that the districts with more employment provided to
women, more employment provided to social groups and more
employment created in response to demand generated have shown good
performance of the programme.

6. There are a few socio-economic impacts created by the Mahatma Gandhi
National Rural Employment Guarantee Act. Some of these impacts are
discussed below.

SOCIAL IMPACTS

i) The programme has provided guaranteed employment to the
needy households which have helped these households to improve
their standard of living.

ii) The programme ensures women employment leading to women
empowerment.

iii) The marginalised sections have highly benefited from the
programme in almost all the districts of Assam.

iv) The different social categories like the SCs, STs and OBCs have
also benefited from the MGNREGA programme in the entire state
of Assam.
**ECONOMIC IMPACTS**

i) It ensures economic security to the households by providing guaranteed 100 days employment.

ii) Asset creation is one of the important aspects of the MGNREGA programme. Many remote village roads have been constructed under the MGNREGA programme in almost all districts of Assam. This has promoted rural infrastructure thereby improving agricultural productivity.

iii) Workers are given weekly payments through their bank accounts or post office saving accounts. This has improved the financial inclusion scenario in the state.

iv) Construction of non-durable assets in village areas under this programme basically has been wastage of public funds.

**7.2.2. SOCIO-ECONOMIC EFFECT AND DISTRIBUTION EFFECT OF MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT**

As a government intervention, the Mahatma Gandhi National Rural Employment Programme has had impacts on the rural households both socially as well as economically. The participants of the MGNREGA programmes are vulnerable, disadvantaged and marginalised households. These rural households though are ready to do unskilled manual work but prior to implementation of the MGNREGA programme, it was a difficult proposition. Now, with the MGNREGA programme providing a guaranteed 100 days employment in a financial year, the problem of insufficient wage
employment being available in rural areas has been solved to a certain extent. The gradual upward revision of the MGNREGA wage rate has contributed towards improving the socio-economic condition of the rural households. Since the programme targets the rural poor households and benefits of the programme percolates down to the rural poor hence the programme affects the distribution of income and wealth in the society. The programme redistributes income in favour of the poor, marginalised and vulnerable rural households in the sense that the public expenditure in the form of MGNREGA programme is reaching the rural poor. Based on this philosophy, the major findings pertaining to objective three of the present study are discussed below.

1. The study found that the beneficiaries of MGNREGA have improved their socio-economic condition based on the indicators undertaken for the study over the period from 2009 to 2016 in both the sample districts.

2. Dwelling condition of the beneficiary households have improved in both the sample districts over the period from 2009 to 2016. 22.92 per cent of the beneficiary households in Kamrup (Rural) district had good dwelling conditions in 2009 which increased to 44.79 per cent in 2016. Whereas, in Sonitpur district, 12.90 per cent of the beneficiary households were in good dwelling condition in 2009 which increased to 32.26 per cent in 2016.

3. The access to health facilities by the beneficiary households have also improved in both the districts over the six years period from 2009 to 2016. In Kamrup (Rural) district, 17.71 per cent of the beneficiary households had good access to health facilities in 2009 which increased to 45.83 per cent in 2016. In Sonitpur district, 4.84 per cent of the
beneficiary households had good access to health facilities which increased to 30.65 per cent in 2016.

4. Improvement has also been observed in case of possession of other assets by the beneficiary households in both the study districts. In Kamrup (Rural) district 16.67 percent of the households had good condition in terms of possession of other assets which increased to 43.75 per cent in 2016. In Sonitpur district, 4.84 per cent of the beneficiary households had good condition in terms of possession of other assets.

5. From the study it is found that the beneficiary households have improved their socio-economic conditions over the reference period. The MGNREGA programme is observed to be capable of enhancing income level, food security and livelihood security of the rural households on a sustainable manner and this showed in the positive impact of the programme on the socio-economic conditions of the beneficiary households. The beneficiaries were found availing better health facilities, safe drinking water and sanitation facilities and improved dwelling house conditions as a result of MGNREGA programme.

6. The study also finds that the beneficiary households are worse-off as compared to the non-beneficiary households. Based on the socio-economic index, it is found that only 48.96 per cent of the beneficiary households are in good socio-economic condition as compared to 70 per cent of the non-beneficiary households in 2016.
7. The annual per capita expenditure on food and non-food items, education and health of the non-beneficiary households has been found to be higher than beneficiary households across both the sample districts. Therefore, the inference has been drawn that the non-beneficiary households are better-off than beneficiary households of the MGNREGA programme.

8. During the study period, a significant percentage of households (both beneficiary and non-beneficiary households) have experienced vertical mobility over the social strata. But, from the study it is found that the non-beneficiary households have more significantly improved their socio-economic conditions than the beneficiary households.

9. Inequality of income distribution is a major problem, especially in the developing countries. Fair allocation of resources requires diversion of funds from better-off sections to worst-off sections of people in the society. The Mahatma Gandhi National Rural Employment Guarantee Act is the weapon through which public expenditure is being made for the benefit of the marginalised and vulnerable sections of the society.

7.2.3. PRADHAN MANTRI GRAM SADAK YOJANA FOR TRANSFORMING RURAL ASSAM

The Pradhan Mantri Gram Sadak Yojana has been considered as one of the important programmes for rural infrastructure development. Infact, rural road connectivity has been improved with the introduction of the PMGSY programme in India. Inarguably, development of rural road infrastructure is vital for overall development of a country. Rural road connectivity is not only a key component of rural development by way of
promotion of access to economic and social services but also a source of productive employment opportunity. Improved rural connectivity has resulted in improvement in access to health, education, transportation, agriculture facilities and employment generation in the connected habitations. The major findings related to objective four are discussed here.

1. Improved rural connectivity has resulted in a considerable improvement in access to educational facilities in the habitations.

2. The overall literacy rate has increased in the study area due to improved rural connectivity. Even in the monsoon season, the students have easy and safe access to educational institutions.

3. Female enrolment rate in educational institutions has increased considerably as the parents are not hesitant in sending their girls to schools post construction of the road.

4. The farmers have now easy and better access to wider markets for their produce. This gives them remunerative prices for their produce while enjoying economy in transportation.

5. The traders and hawkers are benefited due to improved rural connectivity as they are able to run their business during the rainy season also.

6. People in the study area have reported that their accessibility to banking and medical facilities has improved post introduction of the PMGSY programme.

7. In the post PMGSY phase, child immunization and institutional delivery have been found to have increased in the study area. This has had a positive impact on the Infant Mortality Rate and Maternal Mortality Rate.
8. The study has also brought out that post construction of rural roads; the employment scenario has improved in the study villages. More people are now traveling outside the habitations for better employment opportunities.

9. Many new income opportunities and small enterprises have flourished due to construction of rural roads in the study area.

10. Access to health facilities has also improved post construction of the roads.

11. After the roads have come up, many farmers have shifted their points of sale of produce from the habitations to some convenient places outside the habitations. The farmers now have moved to markets outside the habitation where they can reach the whole sellers. This has given them the scope and opportunity to earn remunerative prices.

12. Improved rural connectivity has provided good transportation facilities in the study villages. More public and private vehicles are today plying on the roads of the study villages. Induction of more public and private vehicles in the study villages has led to availability of a better transportation system.

7.3. CONCLUSIONS AND POLICY PRESCRIPTIONS

Rural development programmes are considered as the most important weapons for the all-round development of rural areas. Rural development efforts at the centre started with the introduction of the first five year plan in independent India. Since then, different rural development programmes are targeting the rural poor, vulnerable and marginalised households. The ultimate aim of all the rural development initiatives has been to enhance the socio-economic condition of the rural people through holistic development of the rural areas. All rural development programmes, whether centrally sponsored or state sponsored targets a specific problem of rural areas.
During the era of inclusive growth some innovative, schemes and programmes were introduced to reach out to all sections of the people in rural India. In Assam, also, programmes like the MGNREGA, SGSY, PMGSY and NSAP were widely implemented. Nevertheless, the treatise observes that most rural development programmes in Assam have failed to create the desired effects owing to limitations in the following three areas:

1. Appropriate strategy for rural development
2. Implementation Mechanism, and
3. Financing of the programme

It is by addressing the above areas and with proper planning that development efforts can trickle down to the poorest of the poor household across rural areas of Assam.

1. Appropriate Strategy for Rural Development

The basic problems of rural areas are deprivation of the rural households from the basic amenities of life i.e. elementary education, primary health care, sanitation, shelter and drinking water. Therefore, appropriate strategies should be designed to eliminate these deprivations of the households by directly providing the services. Individual programmes should be designed to address a single problem which can ameliorate it in an easier way and in a quicker mode.

2. Implementation Mechanism

From the analysis of the rural development programmes in Assam, it is found that the outcome of the programmes are very often affected by the factors like inappropriate selection of beneficiaries and improper selection of works which
are attributed to laxity in the implementation process. Since most of the rural development programmes are implemented by the panchayats at the village level, therefore, in order to strengthen the panchayats, the state government should directly intervene to put the necessary institutions and basic infrastructure in place. A review of literature shows that lack of people’s participation at the implementation level is another factor responsible for poor outcome of the programmes. People’s participation from designing to implementation of the programmes should be ensured for proper implementation and better outcomes of the rural development programmes. Besides, in the implementation of the above mentioned strategy of rural development, specific role have been envisaged for the different agents such as individuals and households, the community, the Non Government Organization (NGOs) and the state and central Governments.

3. Financing of the Programmes

An important way of achieving inclusive growth is to properly finance the rural development programmes, the effects of which can then percolate down to the targeted beneficiaries. In Assam, both the central and state government has shared the total fund allocation in different ratio for different rural development programmes. It is found that one important reason for poor performance of some programmes in Assam has been lack of proper financing of the programmes. Sanction of funds should be adequate for a proper implementation of any programme. Added to it, proper utilisation of the sanctioned amount is yet another important area to be looked into. Therefore, the government should come up with a mechanism for proper monitoring and utilisation of funds for
different rural development programmes. Moreover, the necessary financial resources for implementing the above laid out strategy for rural development will have to be harnessed from a variety of sources such as governments, international donor agencies, financial institutions and private savings.

4. Improving the District-wise Performance of the Programmes

A good performance of the Mahatma Gandhi National Rural Employment Guarantee Act has been observed in those districts of Assam where more number of households have been provided employment in response to the demand generated, where more households have been provided 100 days guaranteed employment, and where more mandays have been created for women and other socially disadvantaged groups. Therefore, the districts with poor performance of the programme should develop a mechanism for generating more employment under the MGNREGA programme. Many literatures related to the MGNREGA programme have shown that there are some demand side and supply side vulnerabilities for poor performance of the programme. The supply side vulnerabilities are lack of proper record maintenance, shortage of staff etc. On the other hand, the demand side vulnerabilities are prevailing illiteracy among the rural poor households, lack of awareness etc. In order to improve the performance level of the programme, both the supply side and demand side vulnerabilities should be addressed.
5. Fair Allocation of Resources

Fair allocation of resources requires diversion of funds from better-off sections to worst-off sections in the society. The Mahatma Gandhi National Rural Employment Guarantee Act is the weapon through which public expenditure is incurred for the benefit of the marginalized and vulnerable sections of the society. Therefore, mass participation of rural households is essential for fair allocation of resources through this programme.

6. Improved Rural Connectivity for Better Living Condition

Rural roads are imperative for the all-round development of rural areas. Improved rural connectivity provides better access to health facilities, education facilities and transportation facilities to the people living in rural areas. All-weather rural roads ease rural life. Positive impacts of rural connectivity on diverse areas of rural life have been found in Assam. The PMGSY has been able to change the rural scenario in terms of access to and availability of modern facilities. Still, 70 per cent of the villages are out of reach of all-weather rural connectivity. Therefore, to grasp the benefits of the PMGSY programme in the true sense, attempts should be made at the government level to connect all the unconnected villages to all-weather roads through the PMGSY programme. Habitations with population 500 in plain areas and 250 in hill areas is eligible for all weather rural connectivity under PMGSY but in future the programme should aim at connecting all the habitations irrespective of the designated population size. This would bring all the villages under the purview of the programme and all habitations will have at least all-weather rural connectivity.
A more comprehensive concept and method of rural development has been suggested by the World Bank. Rural development has been defined as a strategy to improve the economic and social life of a specific group of people that is the rural poor including small and marginal farmers, tenants and the landless. The national rural development programme in India should be designed in such a way that they can follow all the five principles as suggested by the FAO. Therefore, the national rural development programmes should be based on access, independence, sustainability, effectiveness and participation for better expected outcome of the programmes.