CHAPTER V

THE POLICY AND PLAN OF DEVELOPMENT IN INDIA
The purpose of this chapter is to analyse the policy and plan of development in India pertaining particularly to the various rural development programmes launched by the government from time to time. Rural development has become the major concern of the public policies all over the world. The public policy has become synonym to improving the living conditions of the poor. Therefore, most of the policies in their objectives, reflect a concern for the poor. This can be witnessed in the plan documents and public pronouncements. Rural development is essential for the economic development of a country like India where 80 percent of the people live in the villages.

Any development programme launched to improve the nutritional level of the family will have to begin with the welfare of the rural women. In all the programmes for promoting opportunities for gainful employment for small and marginal farmers, rural artisans, landless labourers and those engaged in fisheries, forestry and animal husbandry, women would need special attention.

Though the problem has been recognised some how, it took years for the formulation of plans. The actual Five Year Plans,

started in 1951-52, divided into subplans and transformed into rolling plans, have subsequently lost their significance. For instance, the Sixth Five Year Plan has been designed and then redesigned.

To know whether the government has cared for the development of people in general and the female agricultural labourers in particular, it is essential to know the aims, objectives and priorities of the five year plans which provide a base for development.

At the time of Independence the economic situation of the country was in the doldrums. Both the earning capacity and consumption were very low. The agricultural economy was also unfavourable. Hence, in 1950-51, when the first five year plan was launched and implemented, the government had concentrated upon the agricultural development.

The First Five Year Plan (1951-56):

The First Five Year Plan was launched to bring about equilibrium in the economy while striving for the all-round development. It was felt that without substantial increase in the production of food and basic raw material for industry, it would be impossible to sustain a higher tempo of the Industrial development.²

In the First Plan, the actual investment in the public sector was Rs.1,960 crores. Of this 31 percent was spent on agriculture and 27 percent was on transport and communication. Industries got just 6 percent of the total outlay in the public sector. Thus, agriculture was given the highest priority in the First Plan. As industries were not emphasised in this plan, by its nature, the plan was not inflationary. This investment pattern resulted in a 19 percent increase in the farm output and, there, the price level declined 13 percent.

But by the end of the First Plan, though the production of food grains was increased, the target was not achieved. Neither institutional reforms were undertaken nor any developmental programmes were launched for the all-round development of the rural poor in general and agricultural labourers in particular. And, the conditions of agricultural labourers remained the same.

The Second Five Year Plan (1956-61):

Investment pattern underwent a drastic change in Second Five Year Plan. Success in the First Plan emboldened the Government to embark on the ambitious plan of industrialisation on the model of the Soviet Plans. Of the total public sector investment of Rs.4,600/= crores, Rs.1,075 crores were allotted in industries. Agriculture received Rs.130 crores which was only 11 percent of the investment. Thus, the emphasis was shifted from agriculture to industries. Among industries there was special
emphasis on heavy and basic industries which had long gestation periods. For example, the heavy investments were made in the three public sector steel plants. 28 percent of the investment was on transport and communication. Industrial production rose by about 35 percent but agricultural output increased by 15 percent only. Due to large deficit financing and other factors like inflationary nature of the plan, the price level increased by over 30 percent.

Although the outlay on industry in the Second Plan was more, adequate attention was also paid to agricultural development. The second plan was also intended for a diversified agricultural economy with the development of livestock and launching of the rural welfare measures besides increasing the crop production. However, during the period of this plan, agricultural production enhanced, with the help of the improved practices in agriculture and with the introduction of the supply schemes. But the schemes like the soil conservation scheme have not received adequate attention and were not fully utilised by the people in generating employment. As a result, unemployment was on the increase. The number of people to be employed including the new entrants into the labour force during the second plan was put at 17.1 million. During the plan 6.5 million jobs were created in the non-agricultural sector and 3.5 millions in the agricultural sector, leaving a back log of 17.1 million unemployed at the beginning of
During the Third Plan period, agriculture received top priority. The Third Plan aimed at increasing the production of food grains to achieve self-sufficiency. Emphasis was laid on enhancing the production of the commercial crops mainly to meet the demands of the industrial sector.

But during the third plan, no concrete measures were adopted to improve the conditions of the rural poor as the concentration was more on the improvement of technology and production. This has also shown some negative results affecting the employment prospects of the agricultural labourers especially the women agricultural labourers as a large number of them had to lose their livelihood in the later years.

Total public sector outlay was Rs. 8,580 crores. Agriculture received Rs.1,090 crores, which was 13 percent of the total investment. Emphasis on industries continued and an amount of about Rs.1,970 crores was spent on industries and mining. This was 23 percent of the total investment. Heavy industries like iron and steel, chemicals, machine tools, heavy electrical machinery etc. received much attention in this plan. An amount of Rs.2,110 crores that is 25 percent of the total investment, was for the development of transport and communication. Irrigation and flood control got Rs.665 crores which was 7 percent of the total outlay. In the

second plan, the outlay on this head was 9 percent of the total investment.

**Annual Plans (1966-69):**

The strains and stresses of the economy leading to a fall in the agricultural production and the war with Pakistan forced the Government to defer the commencement of the fourth plan. Instead, three Annual Plans were drawn. During this period, the issues of community development and minor irrigation received high priority. High yielding varieties of seeds, and chemical fertilizers attracted the attention to raise the agricultural production with the aim of green revolution. But production was greatly affected due to crop failures in these three annual plan periods. The employment prospects have also not brightened.

**The Fourth Five Year Plan (1969-74):**

Of the actual outlay of Rs.15,780 crores in the public sector, Rs.2,320 crores (15 percent) were spent on agriculture and Rs.1,355 crores (8 percent) on irrigation. For the development of power, a heavy amount (Rs.2,930 crores i.e. 19 percent) was made available. Industries and minerals got Rs.3,110 crores (10 percent) and Rs.3,080 crores (19 percent) were spent on transport and communication. The outlay on agriculture was increased as the Government saw that inflation could not be controlled without agricultural production.
In the fourth plan more attention was paid towards the development of rural population including the small farmers and agricultural labourers. The Central Government has launched a scheme during 1971-72 in the drought areas to provide employment to the small farmers and marginal farmers. But hardly any agricultural labourers were provided with employment under this plan.

The Fifth Five Year Plan (1974-79):

The Fifth Five Year Plan assigned high priority to the development of different energy sources. Lack of adequate power, oil etc. has resulted in low capacity utilisation and in view of this experience, it was proposed to divert 26.2 percent of the public sector outlay to energy, science and technology. Out of the amount of Rs.10,291 crores, the generation of power was to receive Rs. 7,016 crores which was about 18 percent of the outlay. Power cuts in the past have been severe in West Bengal, Maharashtra, Gujarat, Punjab, U.P. etc. and this has almost crippled many production units, hence the emphasis on generation of power. For the development of the other two sources of energy, namely petroleum and coal, are allocated Rs.1,691 crores and Rs.1,148 crores respectively. Increase in the production of petroleum products would reduce our dependence on imported products and this would ease pressure on our foreign exchange balances. Irregular supplies of coal have been responsible for low capacity utilisation of power houses. Further there were transport bottle-necks which prevented
quick movements of coal from mines to factories and power houses. So a large amount has been assigned to the development of transport and communication.

Table 5.1

<table>
<thead>
<tr>
<th>Head</th>
<th>Outlay (Rs. crores)</th>
<th>Percentage to total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agriculture and allied activities</td>
<td>4,424</td>
<td>11.3</td>
</tr>
<tr>
<td>2. Irrigation and flood control</td>
<td>4,226</td>
<td>10.7</td>
</tr>
<tr>
<td>3. Industry and Minerals</td>
<td>7,362</td>
<td>18.7</td>
</tr>
<tr>
<td>4. Energy, Science and Technology</td>
<td>10,291</td>
<td>26.2</td>
</tr>
<tr>
<td>5. Transport and communication</td>
<td>6,917</td>
<td>17.6</td>
</tr>
<tr>
<td>6. Social Services</td>
<td>6,102</td>
<td>15.5</td>
</tr>
<tr>
<td></td>
<td><strong>39,322</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Agriculture and irrigation taken together were to receive Rs.8,650 crores i.e., 22 percent of the outlay. To have sustained growth of agricultural production, about 10 percent of the outlay, which in absolute terms comes to Rs. 3881 crores, was earmarked for the growth of irrigation facilities. More irrigation facilities will reduce dependence on rains and will help increase crops in the area under double or multiple cropping.

The Fifth Five Year Plan aimed at the removal of poverty
and the attainment of economic self reliance. During the period of this plan, dry farming techniques were introduced on a large scale to reach the target of agricultural production. Agricultural labourers were supplied with foodgrains under this plan. Several anti-poverty programmes like the food for work programme, Integrated Rural Development Programme were started during this period.

The Sixth Five Year Plan (1980-85):

The Sixth Five Year Plan includes for the first time in the history of planning in India, a separate chapter on the development of women, some experts from which are given below:

"The major thrust of the sixth plan in the field of welfare of women is their economic upliftment through great opportunities for salaried, self and wage employment. For this purpose, appropriate technologies, services and public policies was introduced. The technological package will include imparting new skills and upgrading existing skills. The service package will pay attention to training and credit needs and to marketing. The public policy package will include measures in the area of ownership rights, enforcement of wage laws and employment impact assessment with reference to the employment of women in development projects. Women's organisations will be assisted to

grow in effectiveness. Self specific attention will be paid for the removal of socio-economic biases resulting in the neglect of female children and women. Measures for the improvement of health and nutritional status will be strengthened. Programmes relating to education, health, nutrition and employment would no doubt go a long way in the removal of social disabilities of women. However, the improvements in the socio-economic status of women would depend to a large extent on the social change in the system, attitudes and social structure prevailing in the country.  

"Poverty persists under conditions where the human resource is undervalued and material resources are overvalued. The primary objective of the planned development should therefore, be provision of work opportunities to all. Education employment and development should become catalysts of each other and should lead to the improvement of the quality of life in both rural and urban areas."

Thus, it is only in the sixth plan that an attempt has been made to think about the welfare of women.

In the sixth five year plans and more so in the early years the economy of the country mainly depended upon agriculture. The outlay on agriculture included the amounts to be spent for the


6. Ibid.
introduction of modern technology, pesticides, fertilizers and high-yielding varieties of seeds. But no amount was allotted exclusively for the improvement of the economic conditions of the agricultural labourers and no emphasis was laid upon to start any developmental programmes exclusively for this section of the society.

The new production technology has been widely used to increase the agricultural output. But the impact of the new technology on the living standards of marginal and small farmers and agricultural labourers was absolutely nil. The initial reaction of many well meaning scholars was characterising it as a basically capital intensive technological change that, by its very nature, was bound to benefit only the upper strata of the peasantry. And they felt that it would lead to an accentuation of tensions in the countryside.7 The green revolution in Punjab had not only led to accentuation of inequalities, but had also resulted in the perpetuation of poverty and distribution.8

These plans, however, are helpful to the privileged sections of the society. State is increasingly providing more and more facilities, inducements, financial and other assistance to the proprietary class, and openly becoming the agent, showing


indulgence for their means to assist making all nefarious, illegal, black money, white. The Government has without scruples adopted a policy of encouraging these classes by suitably bringing about changes in public sector to suit their requirements by liberalising licences. The government itself has started actively borrowing from the foreign agencies on a very large scale and disbursing these funds to the rich farmers and businessmen through various financial agencies created by the state itself. The various programmes launched by the government from time to time can be categorised into four main groups formed on the basis of (1) Income generation, (2) Employment, (3) Education & Welfare, and (4) Area Development. Since 1952, as many as 32 Rural Development Programmes have been launched either by the Central or the State Governments.

India, after emancipation from the colonial rule wanted to modify the Indian villages through the Gandhian approach. The issues of provision of employment through cottage and rural industries, improvement of conditions of the rural poor, the economic and social development through social infrastructure, education of the farming community, organisation of rural women and youth, strengthening of Panchayati Raj institutions were at the core of community development of rural India. So the community development programme aimed at income generation, employment

generation and the welfare of the rural poor. However, it is in
the latter part of sixties and earlier part of the seventies that the
focus of rural development was shifted towards area development.

The first two five year plans failed to create any
employment avenues to the rural labour. Consequently, unemploy-
ment was found mounted high at the end of the second plan. In the third five year plan an attempt was made to take
special efforts to solve the problem of unemployment. To generate
rural employment several programmes were launched. Some
important programmes are studied in the following pages:-

1. **The Rural Works Programme (RWP) (1961):**

The rural works programme provided additional employment
opportunities and cared for the welfare of agricultural labourers in
densely populated areas during the lean season. During its
operation period viz., 1961-62 to 1965-66, a total expenditure of
Rs.1932.97 lakhs was incurred under this scheme and employment to
the tune of Rs.824.33 lakhs man-days was created.\(^{10}\)

2. **The Rural Man-Power Programme (RMPP) (1969-70):**

The Rural Man Power Programme was originally a centrally
sponsored programme which turned into a state owned programme.
Its main objective was to provide employment to agricultural labour

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\(^{10}\) Annual Report, Department of Rural Development, Government of
India, 1967, p.3.
through works based on community action resulting in community assets under the Panchayat Raj organisation. The size of employment generated under this programme declined steeply after 1967-68 in which year Rs.551.09 lakhs were spent to create 198.53 lakhs man-days of employment. 11


The Crash Scheme for Rural Employment was started originally as a non-plan scheme and later it was turned into a central sector plan scheme. It was started mainly with two objectives on an experimental basis in all the districts. Its first objective was to create employment to 1000 persons in each district taking at least one from each family. Its another objective was to produce assets of durable nature on par with local development plans for an all-round development in the district. Some of the works taken upon under this scheme were the minor irrigation, soil conservation and afforestation, land reclamation, flood control, drinking water supply and road construction. The outlay for each district was Rs.12.50 lakhs. 12 An evaluation report by the Reserve Bank of India stated that this scheme was "Shabbily" implemented. Wages paid were lower, outlay of material was below the norm.

11. Ibid. During the year 1969-70 an extent of 7171 ha. land was covered by minor irrigation, 199 ha. by soil conservation and afforestation and 133 ha. by land reclamation, flood protection anti water logging measures etc. and 5358 Kms. of roads of different types were constructed or improved.

Kutcha roads which were taken under road construction were washed away soon and the thin spreading of the resources all over the country resulted in poor impact everywhere.  

4. The Pilot Intensive Rural Employment Programme (PIREP) (1972):

The Pilot Intensive Rural Employment Programme was also launched on experimental basis with an idea (a) to provide employment to all those who are ready to work (b) to use the funds available to create durable assets with an aim of development of an area, (c) to explore possibilities of imparting new skills to at least some of the workers employed on project work during the period of employment and assisting them to find out continuous employment in the secondary and territory sectors in the rural and urban areas, and (d) to know the nature and dimension of the problem of employment in the rural areas with a view to evolve a comprehensive programme for the rest of the country. Though various types of programmes were undertaken, experience was not suitable to launch an appropriate programme to create employment avenues. Except generating income for a while none of the above schemes could generate employment for a longer period. As most of the schemes were experiment-based programmes they did not succeed in generating employment for the rural poor.

5. **Food for Work Programme (FWP) (1977-78):**

The Food for Work Programme was introduced mainly to provide employment to all those idle and able-bodied persons by utilising foodgrains for payment of a part of whole of the wages of workers engaged in different works. With 200 crores of central and state assistance it should have resulted in generating additional employment of approximately 400 million man-days for both men and women reckoning at 2½ Kgs. wheat per head per day on an average which also creates durable community assets. ¹⁵

The Food for Work Programme was started mainly to maintain the schemes of public works on which large investment had been made in the past. But after review, both plan and non-plan works were allotted to this scheme. Its main objectives were to generate additional gainful employment, to create durable community assets and to strengthen rural infrastructure and to utilise the surplus foodgrains for the development of human resources. ¹⁶

The works of productive nature which create durable community assets and strengthen the rural infrastructure were adopted under this scheme. Major and Minor irrigation works, flood control embankments, soil and water conservation, forestation and construction of some categories of roads were taken up. ¹⁷

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¹⁵. Food for Work Programme: Guide-lines, Ministry of Agriculture and Rural Development, Govt. of India, New Delhi, 1983, p.IV.

¹⁶. Ibid.

solve the labourers' problem of purchase of food and to make them consume adequate food, wages were paid partly in food grains. Additional quantities of wheat were made available to the labourers either partially or fully. But the schemes seem to have suffered from a number of constraints.

The payment in kind necessarily did not ensure adequate consumption of the foodgrains. First, if a family wants to consume less foodgrains than it received, it used to sell a part of the food grains received and to buy with the money thus got, other commodities. Secondly, even if the selling of food grains received under wages is banned, payment in kind will not ensure a greater consumption of foodgrains. Most families have some outside earning and when they receive wheat under the Food for Work Programme they can cut down the amount of wheat they would have bought with the outside earnings. 18

Further, rural population is not accustomed to consume wheat and the supplied wheat also was not in good condition. The wheat was not a ready food like rice and it takes time to make it ready for cooking. Hence the rural labour except in Maharashtra and northern states do not wish to take wheat.

The programme, Evaluation Organisation of Planning Commission which evaluated the scheme in twenty districts belonging to

ten states emphasized that there was lack of co-ordination in the selection of the projects and in fixing the priorities. The technical departments worked in isolation with other departments and utilised the food grains for continuing their normal activities.\textsuperscript{19}

Malpractices were rampant in the implementation process. The delay in the supply of foodgrains and lack of storage facilities were the other factors. In some districts the contractors paid wages in cash and sold the food grains in the open market. In a number of cases, the muster rolls were inflated by entering fictitious names, both by the panchayats and contractors.\textsuperscript{20} However, in the present study, the sample villages were not covered under this programme.


In continuation of the Food for Work Programme another scheme to generate employment was launched in the name of Employment Guarantee Scheme. On the basis of experience at Maharashtra, the Andhra Pradesh Government had started this programme in 1981 to cover a minimum of three villages in each three hundred blocks in the state.

Under this scheme, villages were selected from dry and


\textsuperscript{20} Ibid.
drought-prone areas where the agricultural labourers were more in number. Its aim was to provide employment to every adult person in the selected village for doing unskilled manual work and to receive wages therefore weekly or in any case not later than a fortnight.\textsuperscript{21} Besides, the creation of assets in the rural areas was also the objective of the Employment Guarantee Scheme.

Under this scheme regularised person upon being provided with employment on works sanctioned under Employment Guarantee Scheme funds shall be paid wages of Rs.4/= (in cash or in kind or partly in cash and partly in kind) per day for seven hours of work for which a minimum turn-out shall also be prescribed.\textsuperscript{22}

As it was introduced on an experimental basis all the villages were not covered under this scheme. Similarly the sample villages of present study in the irrigated or unirrigated region were not covered under this scheme.

But from the latter part of the sixties and the earlier part of the seventies, the thrust of the rural development changed achieving balanced development both in area and target group terms. Hence, the area development programme, target group programmes and employment generation schemes were launched. The Rural Works Programme, Crash Scheme Rural Employment, Pilot


\textsuperscript{22} Ibid., p.8.
Intensive Rural Employment Programme, Food for Work Programme were more welfare-oriented. In an anxiety to eradicate large scale unemployment in the rural areas, the various programmes that were introduced did not have any co-ordination in tackling the problem. The programmes could not generate adequate employment to the needy and deserving person. On the other hand, its fruits were enjoyed by the influential sections of the society and ultimately the poor became poorer. Thus neither income was generated nor adequate employment was assured of in a year under any of these schemes.


The Food for Work Programme which lasted for three years has been turned, with certain modifications, into the National Rural Employment Programme during the Sixth Five Year Plan. Its main aim is to eradicate rural poverty by generating employment avenues to the rural poor.

To tackle the problem of seasonable unemployment and under employment in rural areas, the Government launched the Food for Work Programme (FWP) on 1st April 1977. The objective was to utilise the available stocks of food to employ people on projects that would create capital or durable community assets. These assets were expected to augment the productive capacity of the rural economy. During 1977-80, some deficiencies in the FWP were noticed. In the light of the experience, the FWP was "revamped,
restructured and renamed as National Rural Employment Programme (NREP) from October 1980". This programme is to provide employment to those village poor who have no source of income and it interlinks development projects and target group-oriented employment generation". The NREP aims at providing employment to needy rural people in lean agricultural period.

The following table shows that employment provided under the FWP (now NREP) went on increasing rapidly.

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment generated (in lakh man-days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-78</td>
<td>444.34</td>
</tr>
<tr>
<td>1978-79</td>
<td>3,557.97</td>
</tr>
<tr>
<td>1979-80</td>
<td>5,336.68</td>
</tr>
</tbody>
</table>

The employment created under the NREP in the last three years has been as follows:-

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment generated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>421 million man-days.</td>
</tr>
<tr>
<td>1981-82</td>
<td>354 million man-days.</td>
</tr>
<tr>
<td>1982-83</td>
<td>358 million man-days.</td>
</tr>
</tbody>
</table>

The NREP came into effect from 1st April 1981 and it has become a regular part of the sixth plan. Under this plan, the outlay on the NREP in the central sector is fixed at Rs.980 crores. The employment generated is expected to be 300 to 400 million man-days.
The main objective of the programme is to create additional employment avenues to all the unemployed men and women, taking up of community programmes to strengthen the rural infrastructure and to increase the nutritional value and living standard of the rural poor.23

A variety of activities are taken up under NREP. The construction and repair works of roads and highways, plantation, digging of community wells, irrigational wells, tanks, repairs, taking up medium and minor irrigation works, canals, soil and water conservation and land reclamation, construction of school buildings, Panchayati Raj buildings, platforms, urinals and establishment of balwadies, poultry-farms, piggeries and community bio-gas plants are some of them. Though NREP is a centrally sponsored scheme, it receives funds from both the central and state governments in 50:50 ratio. In this scheme there is a provision for paying the wages in the form of food grains. The money is to be spent on food grains and wages in cash in the ratio of 40:60. But in none of the villages, more than 33 percent of money is spent on food grains.24


However, a number of administrative agencies share the responsibility of the implementation of the schemes. Under this programme an amount of Rs.1,600 crores and man-days of 300 to 400 million have to be generated every year.

8. **District Rural Development Agency (DRDA) (1976):**

This agency known as the Small Farmers Development Agency (S.F.D.A.) previously, was established mainly to launch special programmes for the welfare of small and marginal farmers and the weaker sections of the rural areas. Its main aim was to identify the problems of the small and marginal farmers and agricultural labourers to provide them with financial assistance to improve their economic status. The agency offered 25 percent of subsidy to the small farmers and 33.3 percent to the marginal farmers and to the agricultural labourers. The subsidy amount was intended to provide relief and stimulate investment by the co-operative and commercial banks in agriculture in the case of small and marginal farmers and in livestock or subsidiary occupations in the case of agricultural labourers.25

The number of small and marginal holdings as well as total areas operated by them have been increasing whereas the average size of these holdings is declining. In view of the growing importance of small and marginal farmers and their poor economic conditions, raising productivity among these holdings is essential.

for stepping up of agricultural production in India. The major constraint is their low capacity to invest and bear risk. These farmers also cannot be covered largely under IRDP. Therefore, a new agency was set up for the development of small farmers. This agency assists in the investment in irrigation and to provide various inputs. This programme is also assisted by measures to improve their access to credit and extension, security of tenures, consolidation of holdings etc.

However, the evaluation of the working of DRDA reveals that though primarily the Agency was meant for the development of all the people in the rural areas all sections of the people were not benefitted by it. Its schemes were not open to all the rural masses.

The rural artisans like smiths, potters, washermen and other workers such as construction and quarry workers were not covered by DRDA. It has sanctioned loans for agricultural purposes to those people who possess some land and to others for animal husbandry. But even this help seems to have gone to the influential sections of the society and not to the deserving people. Further, under DRDA cluster approach, it takes years to cover a particular village. Even under this coverage, all the needy do not seem to have received help. Many agricultural labourers failed to receive any help as they were unable to pledge any property for the sanction of loans. The causes for the failure of the programmes are - meagre amounts allotted to the beneficiaries,
narrow choice in the schemes, and defective procedures. Lack of awareness among the people about the agency also caused the ineffectiveness of the agency.\textsuperscript{26} With regard to the viability of the schemes and their impact on the target groups, it is pointed out that the uneconomic nature of land holdings, insensitivity to the micro-level problems, inadequacy of the schemes, Geo-climatic unsuitability and frail infrastructure rendered the schemes unviable.\textsuperscript{27} Thus basically the schemes adopted by DRDA were not meant for the agricultural labourers and they were not the real beneficiaries of the schemes. Women were also completely ignored.

9. **The Integrated Rural Development Programme (IRDP) (1979):**

The need for developing the rural areas needs no emphasis. We hear about its importance since the late forties. Through our Five Year Plans and the Annual Plans along with many other projects, our planners have been from time to time making all efforts to uplift the poor. Early in 1961, a package programme (Intensive Agricultural District Programme) was launched in 7 selected districts followed by several other schemes. The schemes were, however, not fruitful as they were not properly implemented or they had fundamental and inherent draw backs. The Government also tried to develop the rural areas through the Community Development Programmes, which like the HYVP (Green Revolution) it

\textsuperscript{26} Ch. Balaramulu, Administration of Anti-poverty Programmes, A case study of SFDA, KASPA, Warangal, 1984, p.20.

was not as successful as ought to be. Then came the nationalisation of the 14 major scheduled commercial banks on July 19, 1969 and again 6 more on April 15, 1980 to make, among others, more credit available to the weaker sections of the society. Because, banks play a vital role in moulding the image of any economy and help the Government to remove economic imbalances and eliminate concentration of wealth which are impediments for any balanced growth of the economy.

As a result of the Venkatappiah Committee's (All India Rural Credit Review Committee) Report submitted in 1969, 88 SFDA and MFAL development agencies were set up for financing economically weaker sections of the country. However, 1978 was a remarkable year in the era of India's rural economy when the Union Government gave emphasis to the strategy of Rural Development by promotion of small-scale industries and the Integrated Rural Development Programme (IRDP).

IRDP revolves around the theme that rural development can be achieved only if the rural poor are emancipated first from the grip of the devilish poverty. Increasing the production and productivity in agricultural and allied activities in the backward rural areas by providing openings for sufficient additional employment opportunities are the main objectives of IRDP. It also aims at making the rural families independent and self-sufficient.

IRDP was launched in the year 1978 by the Government of India for the socio-economic development of the poor. This dynamic
programme has undergone many changes since then to suit the changing circumstances and moods of our developing economy.

Regarding the success of the IRDP scheme, the former Prime Minister Shrimati Indira Gandhi claimed that 120 million people had been brought above the poverty line.\(^\text{28}\) The total number of families assisted up to January 1983 since 1980-81 are 7.4 million. Gumste opines that if this were to be true the IRDP helps those who are closer to the poverty line than going further down.\(^\text{29}\)

It is to be seen how far the IRDP helps those who are in the income group of Rs.250/= to Rs.3500/=. The total financial allocation under the programme is Rs.4,500 crores for the period of five years for 15 million families in 5011 blocks. 600 families in one block in one year would get about Rs.18 lakhs, which means roughly Rs.3,000 per family per block in a year and of this amount Rs. 2000 are given as loan and Rs.1000 as subsidy. If a beneficiary's family buys, for example, a cow with this money, and repays the loan in instalments, the money left over for a month comes to only Rs. 75 per month. And then an individual belonging to the beneficiary family would stand to gain an income of Rs.15 per month. This income of Rs.15 will be of some help to one whose existing monthly income is in the range of Rs.60-65. Thus it is clear that the IRDP does not uniformly benefit all those who are

\(^{29}\) Ibid.
below the poverty line. There is a built-in-bias in favour of those who are close to the poverty line.  

The overall analysis of the various schemes show that the schemes covered under DRDA, IRDP etc. helped widely men and not women. Women were not given adequate attention in the various schemes launched by the development agencies including the women's Finance Corporation. Loans were raised mainly for agricultural purposes and the other schemes were not popularised by the Finance Co-operative Societies other than Women's Finance Corporation. Though the Government had taken measures to provide credit facilities to all those who were needy, the majority of the benefits seem to have gone to influential sections of the society and mainly to the people belonging to the Forward Castes. The Corporation could not reach their targets owing to the paucity of funds.

Landelessness and poverty disable women to pledge some property to obtain loans. The loanees are not given any concessions with regard to the repayment of loan in instalment at the time of natural calamities.

Almost all the schemes are either land-based or property based and naturally a large number of the agricultural labourers feel themselves out of their scope. Though the schemes are launched

to help the weaker sections cross the poverty line by improving their economic position the schemes neither assure them of any work-days nor generate any employment. Hence, the schemes have in a way, widened the gap between the peasantry and the landless poor. Thus, the majority of the agricultural labourers are not benefitted by the agencies and the very purpose for which they are created is defeated. The majority of the male and female agricultural labourers wish that they should be given tiny bits of land for cultivation in the manner in which the agricultural implements like the plough are supplied to them. This enables them to live happily during the slack season when they do not find any employment. Otherwise they felt, these programmes may just improve the purchasing capacity of the small peasantry and middle peasantry without helping the landless labourers in any way.

Ill-staffed societies or corporation which do not have their branches at the taluk level and are located at the district head quarters cannot properly cater to the needs of the people even to the extent that can be done in the existing limits.

Several female agricultural labourers felt that natural calamities and unforeseen events in the village should be taken cognizance of and that these societies and Corporations should at such times, readily advance loans, and grant subsidies to enable the needy to withstand the losses while encountering such situations.
The real problem seems to lie at the top level where policies are formulated rather than at the place where they are implemented. It is also due to the frequent shifts made in the policies that no concrete results are achieved. Government could not alter the land relation or reduce the ever-widening gap between the rich and the poor by some other method or means.

Seventh Five Year Plan: In the Seventh Plan period of 1985-90, agricultural output is expected to grow at a rate of 4% per year and the target fixed for the increase in the output of foodgrains is 3.7% per year. Production of food grains is to be stepped up from 150 metric tonnes in 1984-85 to 183 metric tonnes by the end of the plan.

A special rice production programme in the Eastern Region is incorporated in the seventh plan. This region has 67% of the total rice area in the country, but it accounts for only 50% of the total rice production. Under the Programme referred to above, centrally sponsored schemes are being taken up in 20% of the blocks in the eastern region. The programme involves evolution and use of new varieties of rice, exploitation of ground water for irrigation purposes, development of credit and marketing facilities etc.

In the seventh plan, production of oil seeds is stated to rise from 13 metric tonnes in 1984-85 to 18 metric tonnes in 1989-90. National oil seeds development project is continued as a centrally
sponsored programme. Gaps in technology, irrigation management, credit and input supplies have prevented the exploitation of the potential in the oil seeds growing areas. New seed varieties are being evolved and profitability of oil seeds growing activities is to be raised through various measures such as marketing support. State-level oil seeds Growers' Federation have to be strengthened. Production of pulses is to be raised from 13 metric tonnes in 1984-85 to 15 to 16 metric tonnes in 1989-90. National Pulses Development Programme is launched to achieve the target. Some of the major elements of the strategy adopted to secure the goal are: introduction of pulses in irrigated farming systems, additional area under short-duration varieties of some pulses, use of fertilizers, plant protection measures, improved post-harvest technology etc.

The ultimate irrigation potential from all irrigation schemes is estimated to be 113.5 M. hectares of which 58.5 M. hectares is from major and medium schemes and the remaining i.e. 55 M. hectares is from minor irrigation schemes. The seventh plan states:- with a view to optimally utilising the available water resources of the country by storage and inter-basin transfer from surplus to deficit and drought prone areas, a national perspective for water resources development has been prepared. It has two components, viz. Himalayan Rivers Development and Peninsular Rivers Development. This national perspective envisages an additional benefit of 25 M. hectares from surface water and 10 M. hectares by increased use of ground water, which is expected to
raise the ultimate irrigation potential from 113.5 M. hectares to 148 M. hectares. In the seventh plan priority is assigned to partially completed irrigation projects. These are to be funded adequately. New starts would be restricted to medium irrigation projects in drought-prone, tribal and backward area. The Command Area Programme (CAP) initiated in the Fifth Plan is continued in the seventh plan and the aim is to reduce the gap between irrigation potential created and utilization thereof. The targets under (CAP) in the plan period are:

1. Construction of field channels 6.81 M. hectares.
2. Land Levelling/shaping 1.82 M. hectares.

About 2.5 M. hectares are to be covered under flood control programmes in the seventh plan.

So far as agricultural credit is concerned the seventh plan target for short-term loans is Rs.5,540 crores; for medium-term and long-term, the targets are Rs. 500 crores and Rs. 1,030 crores. Special measures are being taken to ensure adequate flow to the weaker sections and to less developed areas. Credit for production, investment and consumption would be provided through a single window. There is a pilot scheme of mobile credit delivery system to the very door steps of the farmers.

In case of key inputs in agriculture, the use of quality seeds is to rise from 7.88 million quintals in 1984-85 to over 12 million quintals in 1989-90. Fertilizer consumption is to increase
from 8.37 metric tonnes to about 14 metric tonnes in the same period. Consumption of pesticides will increase from 50,000 tonnes to 75,000 tonnes. In the plan, the area under HYV Programmes will be expanded from 56 M. hectares to 70 M. hectares. Recently, a National Conference on special food production was held at New Delhi and 169 districts have been selected for consideration of soil conditions, water availability, the technological package available and the existing level of development. Emphasis is to be put on production of rice, wheat, maize, gram and arhar in these districts.

The National Conference recognised three points to provide irrigation facilities on a dependable basis. It was firstly agreed that in the existing command areas water availability should be assessed and number of water rings fixed in advance. Secondly, national finances should be provided to the states to complete in 1988-89 major and medium irrigation schemes nearing completion. Thirdly, six lakh shallow tube wells should be installed in six states - U.P., Bihar, West Bengal, Assam, Orissa and Andhra Pradesh. It was proposed that the tube wells should be made operational by 1988-89 and they should provide irrigation to 10-12 lakhs hectares.

Eighth Five Year Plan (92-97) : Strategy and Thrust: The eighth plan will aim at consolidating the gains from the base built over the years in agricultural production, sustaining the improvements in productivity and production to meet the increasing
demands of the growing population; enlarging the incomes of farmers, and realising the country's potential by stepping up agricultural exports. While the production of several commodities has shown significant increases, a cause for major continuing concern is that the growth made in agricultural production is highly skewed in terms of geographic areas as amongst crops. Rapid improvement in productivity and production of a few of the agricultural crops, since the introduction of high yielding varieties technology from the mid sixties, has been conspicuous only in small pockets of well endowed irrigated areas. Eastern India in the heavy rain fall zone, the vast rain fed tracts in the country, and the hill region have not been able to adopt the technologies for achieving high growth rates. It will be of crucial significance not only on account of the need to reduce regional disparities but also essentially to raise production levels, that for greater attention is devoted to bring about an accelerated growth in areas which have relatively lower growth. Efforts to concentrate on productivity of principal crops in these regions through programmes initiated in the sixth and the seventh plans will have to be further intensified. Appropriate technologies designed to meet the specific location problems need to be generated.

In the rain fed areas, farming system approach should be the basis for enabling farmers to make scientific and optimum use of their land and water resources to increase their incomes. Diversification of the agricultural production systems may be called
for, together with scientific management of land, to prevent soil erosion and achieve better in situ moisture conservation. A holistic approach towards the development of rain fed areas, which forms the raison d'être for the restructured National Watershed Development Programme for the rain fed areas, cannot be over emphasised. This programme will be adequately funded and implemented vigorously.\footnote{Draft of Eighth Five Year Plan, 1992-97, Vol.II,Govt. of India, Planning Commission, New Delhi.}

A preponderant proportion of land holdings is small or marginal. Even with the best of productivity of traditional crops cultivated by the small holders, the resultant incomes may be sufficient to support a minimal standard of living. Agricultural production systems followed by this segment of farming community may be diversified into other allied activities, capable of generating higher returns and incomes such as animal husbandry, horticulture, both irrigated and unirrigated sericulture, fisheries, agro-forestry etc.

Rural unemployment and under employment are issues of serious concern in areas with relatively poor growth in agriculture. The treatment of rain fed areas on watershed basis may provide employment opportunities for unskilled labour by way of developing the potential of dry lands, construction of water harvesting structures, plantation of horticulture, agro-forestry etc. Many of
the alternative agricultural production systems can generate employment opportunities on a self-sustaining basis.

High lights of the frame work:- The high lights of the eighth plan frame work are as follows:-

1. A total of Rs.6,10,000 crores (at 1989-90 prices) has been earmarked both for the public and private sectors, whereas, the outlay for the public sector has been fixed at Rs.3,35,000 crores, for the private sector it will be Rs. 2,75,000 crores.

2. Eighth plan envisages an average annual growth rate of 5.5 percent.

3. Employment growth rate at 3 percent per annum over the current decade.

4. Domestic saving rate is projected at 22 percent of the Gross Domestic Product (GDP).

5. Net foreign resources inflow is assumed at 1.5 percent of the GDP.

6. About 50 percent of the total outlay to be earmarked for the agricultural and rural development.

7. Capital efficient factor is estimated at 4.3.

Objectives:

The basic objectives of the eighth plan include: The rapid overall economic development, satisfaction of the basic minimum needs of the peoples improvement in the quality of life of the common man, generation of adequate employment opportunities and self-reliance.
Strategy:

In order to achieve these objectives a strategy of development has been formulated. The chief characteristics of the strategy are as follows:-

1. Emphasis on the local area planning.
2. Fundamental changes in the education policy so as to make it more job-oriented and eliminate illiteracy by the end of this decade.
3. Provision and delivery of proper health care for the people.
4. Assured supply of food through restructured distribution system.
5. Shift in family planning strategy from emphasis on contraceptive measures to focus on women's status, female literacy and control of infant mortality.
6. Steps to improve the efficiency and competitiveness of Indian industry for enhancing its contribution to exports and import substitution.
7. Review of policy towards small-scale industry and encouragement to labour-intensive units.
8. Public sector to concentrate on infrastructure, key intermediate goods, strategic goods and social services.
9. Greater participation of the private sector in the areas now largely retained by the public sector.
10. Focus on improvement of operational efficiency of infrastructural services.

12. Strict fiscal discipline along with control on non-productive expenditure.

13. Public sector may be divested of chronically losing enterprises.

In brief, the Eighth Plan strives to achieve the various objectives through decentralised planning.

Soon after independence the issue of rural development became the focus of the public policies made under the five year plans. It was conceived that development programmes would improve the economic position of the poor in the rural areas. Agriculture was given the first priority to improve crop production through modern technology. But adequate employment was generated for the rural poor. No concrete efforts were made nor substantial amounts were allotted to improve the economic position of the agricultural labourers. The impact of new technology benefitted only the rich farmers and not the poor farmers and agricultural labourers and, as a result, the gap between the poor and rich further widened and agricultural labourer was left far behind. It was in the third five year plan that an attempt was made to solve the problem of rural unemployment by launching some programmes like: (1) The Rural Works Programme (1961), (2) The Rural Manpower Programme (1969-70), (3) The Crash Scheme for Rural employment (1971-72) and (4) The Pilot Intensive Rural Employment
Programme (1972). But they were not successful. The Food for work programme which was introduced in 1977-78, mainly to generate additional employment and provide community assets to strengthen rural infrastructure was not successful. Though wages were paid partly in kind and partly in cash, many manipulations crept in, the factors like lack of co-ordination, malpractices of contractors and employees, supply of wheat instead of rice had caused the failure of the scheme.

The Employment Guarantee Scheme (1981) launched to assure the rural poor of employment and create assets in rural areas was started only on experimental basis. It could not cover the villages in the sample taluks.

Under the National Rural Employment Programme (1979-80), a variety of measures were taken up. A number of development agencies share the works under the National Rural Employment Programme. Even though the scheme was carried out for a period of 3 years, the employment avenues generated under this scheme were insignificant. Further in Mannarghat Taluk most of the money was spent on material and not on wages under this scheme. The respondents were also of the same opinion. NREP could not provide work to all those who were ready to toil and earn their livelihood.

The work taken up under NREP in Palghat and Chittoor taluks also did not generate adequate employment for the agricultural labourers. Contractors were engaged against the rules and
the defective programme resulted in its failure. But unlike the previous schemes this programme benefitted the rural poor to some extent.

Besides, the development agencies like District Rural Development Agency (1976), Scheduled Caste Service Co-operative Society (1976), Integrated Tribal Development Agency (1975) and the Women's Co-operative Societies (1985) carried out various development programmes to uplift the socially and economically backward class people.

The District Rural Development Agency, though meant to extend financial assistance to small and marginal farmers and agricultural labourers, only some insignificant number of people were benefitted out of the total target. Among the sample villages of Perumbadary and Malampuzha were covered and only one woman from Malampuzha received financial help from this Agency. Its cluster approach did not enable to cover many villages.

Despite taking the family as the unit of production, its coverage was insignificant, nor the criterion adopted for the selection of the target group was scientific. The statistics never gave due weightage to the participation of women labour in the rural development activities. As many of the programmes of DRDA were asset based or land based, women were deprived of its benefits as they never owned any land nor were they heads of their families. Thus the programmes of DRDA benefitted the affluent
sections of the society and they were also malebiased in approach. Ignorance and illiteracy of the labourers also caused the failure of the scheme. The IRDP (1979) which was implemented through DRDA helped only those who were closer to the poverty line and those who were below the poverty line were not paid any attention.

The Scheduled Caste Service Co-operative Society, the Backward Class Service Co-operative Society, and Integrated Tribal Development Agency were meant to cover exclusively particular castes and tribes but none of the schemes were exclusively launched for the betterment of women not to speak of the welfare of the female agricultural labourers. Scarce finances, limited number of programmes, and ignorance of the schemes also resulted in the slow functioning of the societies. As the schemes of ITDA are area oriented in approach, they could not generate employment avenues for the tribal population.

However, a large number of the backward caste women in the Chittoor taluk received assistance from the Women's Co-operative Societies while the women belonging to Scheduled Castes and Scheduled Tribes received more help from the Co-operative Societies in Mannarghat taluk. The scope of the programmes is biased to help the urban women and not the rural women. The majority of urban women preferred schemes pertaining to sewing machines, vegetable shops, diary and kirana shops. No special schemes are launched for the agricultural women. The presence of middlemen, inadequate infrastructure facilities and reluctance of banks in sanctioning loans also resulted in the negative effects.
The analysis also revealed that defective policies and plans always helped the affluent sections of the society instead of benefitting the poor. Except IRDP, all of the anti-poverty programmes were, in action, unable to lift the poor above the poverty line.

All these institutions were interested in the schemes pertaining to urban-oriented jobs and products. Except a few schemes all the other schemes were not in demand and were found profiting the privileged sections of the society. The factors like the landlessness of the people, negligence on the part of employees and banks prevent the poor from approaching the development agencies for help. Indifferent attitude of the societies, their corrupt practices, and non-availability of subsidies resulted in the failure of the programmes.

The real problem seems to lie at the top level where policies are formulated rather than at the place where they are implemented. It is also due to the frequent shifts made in the policies that no concrete results are achieved. Government could not alter the land relations or reduce the ever widening gap between the rich and the poor by some other method or means.

The respondents wish that tiny bits of land should freely be given to them and the rules should be relaxed especially at the time of natural calamities to enable them to better their economic situation at least to some extent.

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