Rural Development Plans, policies and Programmes have been adopted for improvement of rural sectors in the past as well as present era, yet the problems remains as complex in the developing countries. The developed countries meet the situation with their mechanized resources. The developing countries like India has to face these situations of poverty stricken rural people with her limited resources. As shown in the Chapter First, the majority of the people lives in villages depending upon the agriculture. But meagre output of agriculture is unable to meet the necessary requirements of the cultivators. This led the government to think about rural development seriously.

I. Post-Independence Trial : 

During the Post-Independence period, the first 'Pilot Project' for rural development was started in 64 villages of Etawah District of U.P. in September 1948, on a trial basis. In 1947-48, the Grow More Food (GMF) Campaign which was launched in 1942, restarted for attaining self-sufficiency in food-grains by 1952. Vinoba Bhave started the Bhoomdan movement to
acquire the surplus land through donation and to distribute the same to landless families in 1949. The 'Gramdan', 'Shramdan' and 'Sarvodaya' Schemes were started for rural reconstruction on the inspiration of the ideals of Mahatma Gandhi. All the efforts did not succeed due to more or less ad hoc and incongruous in nature without well defined objectives. Besides, these movements were started on trial basis rather than permanent approach. However, these left axiomatic experience to the national policy makers of Independent India.

II. Inherited Problems:

When the freedom came, the gloomy clouds were flying in the sky in the form of a backlog of rural poverty. The production and productivity were also very meagre. These problems were inherited from the foreign ruler. As such, the first and foremost duty of the National leaders was to drive away the chronic enemies from the soil of free India. In the mean time, the Planning Commission (1950) and the National Development Council (1952) were set-up to look over the development process and to framework the policies for the all-round development of Indian Economy.
III. Community Development Programme for Rural Development:

with the gaining experience of the past efforts and on
the recommendation of the Indo-U.S. Technical Co-operation
Agreement (January, 1952), the Government of India launched
the C.D. Programme on Second October, 1952, for raising the
standard of living of the poor as well as for the betterment
of rural societies. The programme was a broad based strategy
covering all round development of social, cultural, political
and economical sphere of the country-side.

IV. The idea behind the Programme:

Most of the economist's view is that the doctrine of the
C.D. Programme was borrowed from the Western countries. But, it
cannot be refuted that conformable kinds of works had been
seen in the old Indian's civilization also. Indeed, those works
were temporary in nature for a particular region in a particular
situation. However, the idea of the programme came to the mind
of the national leaders on the following reasons:

(a) The Committee of Direction of Rural Credit Survey
drew pointed attention to the socio-economic isolation of the
Indian village from the main stream of national life and to the
consequent disintegration and decay of the village community. It was obvious that if vitality was to be restored to India, the roots had to be tended first. India's roots clearly lay in the villages. The roots can be tended only by a well synchronized multipronged attack on all the factors that sapped their vitality.\(^1\)

(b) Sri P.A. Narainwala was appointed as a Chairman of a Committee in 1930 to examine the Nilokheri experiment. He had submitted his report and suggested for building up an agro-industrial town surrounded by the hinterland of villages.

(c) In 1931, the Ford Foundation started 15 Pilot Projects in some selected areas and provided the extension services in the field of agriculture and animal husbandry. These projects were started on trial basis to decide the future course of actions.

As such, the preamble of the programme was a right precision for upliftment of the rural India. However, without awaiting for the results of the Pilot Projects, the Government of India started the Community Development Programme in 1932.

\(^1\) Desai Vasant: "A Study of Rural Economics", A System Approach; Himalaya Publishing House, Bombay 400 004, p. 391
The first batch was inaugurated with 55 Pilot Projects and steps were taken to cover the whole India within a short span of time. In fact, the Government gave a birth of a new baby without prior experience of how to care the child that was the implementation of the programme.

V. Progress Achieved:

The term 'Community Development' has come to connote "the process by which the efforts of people themselves are united with those of Governmental authorities to improve the economic, social and cultural conditions of communities."²

After one year, in 1953, the National Extension Service was started for providing extension services. The Community Development Blocks were established as an administrative unit for the implementation of the programme. Each Block was consisted of 100 to 120 villages with 60,000 to 70,000 populations. By the year 1963, the Community Development Programme covered the whole India with 5,265 C.D. Blocks.³ The organisation of the Government of India rightly observed that "out of the pooled experience of the sporadic efforts came the Community

² United Nations: Community Development and Economic Development, p. 1
Development Programme as an integral part of the Five Year Plan.\(^4\)

The broad objectives of the C.D. Programme and N.E. Services were development of agriculture, animal husbandry, irrigation, road and communication, improvement of health and hygiene, education, cultural, social and economic structure of rural sector. Besides, it had created an atmosphere of leading poor from the chronic situations to full employment and development of the whole community through community efforts.\(^5\)

Moreover, the small-scale industrial production centres were created with closely co-ordinated with rural development.

As a result of this process a new administrative organisation was created for the first time in India, for the implementation of programme. The institution was closely interlinked from the national level to the village level. The real leader was B.D.O. who was overall in-charge of the clearly demarcated block area of 400 to 450 square K.Ms. The technic of implementation was that the works began in the N.E.S. for three years and after that it was converted to C.D. Blocks for intensive

---

4. Govt. of India, "The Organisation of the Govt. of India" p. 329.
development of another three years then it reverted to the N.H.S. Pattern for normal works.

During the Second Plan, B. Mehta Committee was appointed to examine the working of the C.D. Projects and N.E. Services. The Committee suggested that:

(a) A single scheme of Community Development Block should be adopted in place of dual scheme of N.E. Services and Community Development Blocks.

(b) A three tier Democratic Decentralization should be created and responsibility of the implementation of the C.D. Programme should be handed over on the non-official agencies along with officials.

The National Development Council accepted these recommendations. As a result, the Panchayat Raj system was introduced and the dual working system had been vanished. Since then, the programme has been implemented in two-phases of intensive and Post-intensive for three years at each stage.

VI. Institutions for policy formulation:

The two important policy making institutions, closely related with the rural development programme are:
(i) the Planning Commission and
(ii) the National Development Council.

The Planning Commission was established in March 1950, and the National Development Council was in August, 1952. The objectives of Planning Commission were to devote continuous attention to whole field of economic development and to suggest methods and means to re-build-up the shattered economy of the country.

The National Development Council was consisted of the policy makers in power, whose opinion cannot be ignored by the Planning Commission and the Cabinet.\(^6\)

VII. Committees of Planning Commission:

There were two special bodies under the Planning Commission for examining the policy prescriptions. They were:

(a) Programme Evaluation Organization, and

(b) the Committee on Plan Projects.

The aim of the Committee on Plan Project was to report in details on certain specific matters. But, the most important

---

organization, in this regard, is the Programme Evaluation Organization (P.E.O) for making a systematic and periodic assessment of the methods and results of the Community Development Programme and National Extension Services.

As such, the Planning Commission is a policy prescription body and sometimes acts as a co-ordinator of policies and programmes formulated by the other departmental agencies.

VIII. Different Policies:

Since Independence, the Government of India has been framing many policies and programmes for the improvement of countryside. The methods of policies have been changing from Plan to Plan in accordance with the nature of the development programme. But the overall policy has remained as same to speedy development of the poverty stricken rural India.

Policies for the Rural Development:

Agricultural Policy:

Agriculture has occupied a most prestigious position in the Indian economy. It contributes over two third of the national income. As such, during the successive Five Year Plans, the highest priority has been given on the agriculture and its allied sectors.
During the British rule, little attention had been placed to local development through these sectors. Their agricultural policy was mainly to export the food and raw materials to their own country. The development of agriculture through research and education had got the importance after the submission of the Report of the Royal Commission on Agriculture in 1928.

In 1942, the Grow More Food Campaign was started. Later on, this was modified as Integrated Production Programme and merged with the Five Year Plans.

In 1946, the agricultural food policy was reframed and laid down the responsibilities of the Central and Provincial Government about food self-sufficiency to the advantage of weaker sections.

The Community Development Programme in 1952, had stressed on the improvement of agriculture as an integral part of the village programme.

In 1960-61, the Intensive Agricultural District Programme was started. It laid emphasis on package programme on selected areas. The new strategy of agricultural development with scientific inputs had been introduced during 1966-67. Since 1970-71, the growth with stability and the growth with social justice were adopted as a major aim in
agricultural development. Besides, along with agriculture, the development of animal husbandry and inland fisheries were also got importance. The national forest policy of 1894 was revised in 1952 for large-scale production of forestry.

Presently, a long-term new agricultural policy till 2000 A.D. was evolved to raise the agricultural production and for achieving the self-sufficiency in food grains.

In addition to above production, several other policies dealing with land, food, price, irrigation, mechanisation and credit services etc. have been framed during the successive Five Year Plans. But markedly there has been no integrated agricultural policy statement prepared by the Government in the post-Independence period.7

The aim of the Agricultural Policy was to accelerate the growth rate and promoting the social and economic welfare of the society. As such, the National Commission on Agriculture has recommended some objectives.

The following are the objectives:

(i) To secure demand-supply balance and distributive justice.

(ii) To reduce the disparity of income of the weaker sector.

(iii) to generate sufficient employment and for increasing the rate of production. Along with foodgrains, integrated effort should be made for crop production, livestock and poultry, fishery and forestry.

(iv) Intensive use of land and technology to faster increase in production

(v) In order to reduce the nutritional deficiencies, the production policy should be nutrition oriented.

(vi) The policy laid emphasis on the equitable allocation of resources for the development of backward areas and infrastructure development for the eradication of poverty.

IX. Rural Development Programmes:

Since Independence, the Government of India has been launching many Rural Development Programmes for upliftment of downtrodden societies. These programmes can broadly be grouped into five heads: viz., (a) Agriculture; (b) Artisans; (c) Area Development; (d) Employment oriented; and (e) Special Programmes for target groups.

Out of various programmes, some of the most important programmes have been reviewed here:
The Rural Development has been one of the abiding objectives of the successive Five Year Plans. As said earlier the C.D. Programme was started in 1952 for providing the network of basic extension and development services in the rural areas. The programme created an awareness among the rural communities for quick adoption of technological change in the field of agriculture. It also reinvigorated the land reform system by distributing the surplus land to the landless farmers. The programme provided tremendous infrastructure facilities to the villages.

In the initial stage, it was highly praised by Nehru, Shastri and many of the foreign agencies. About the programme's achievements, the eminent historian, Arnold Toynbee, once said at a U.S. University "Go to India, visit some of the thousands of villages therein where Community Development Plan is already in operation; and you will see, with your own eyes, new hope and purposefulness and energy breaking into flower. This is, to my mind, the most wonderful sight that is there to be seen in the present day world. And this world revolution of the peasantry is the most glorious revolution that there has been
in the world's history sofar.\textsuperscript{8}

However, such a world commendable Programme was tabooed in the mid of sixty on account of poor leadership, favouratism and nepotism, lack of co-operation, groupism and factionalism and largescale corruption and misappropriation of funds. Whatever might be the causes of failure, all the critics have accepted the view that the pillar of development was installed by the programme for the successive programmes of rural development. The vast experience, left by the programme was a great source of assets to follow the right path by the latter generation.

It is to be noteworthy that the programme was a national programme and the findings and achievements of the programme are also almost equally applicable to all the states of India.

The objectives of the programme were also very ambitious, covering all the sectors of rural development; viz. (a) substantial increase in agricultural production; (b) improvement in communication, health and hygiene, village education and integration of social and cultural changes among the rural people.

\textsuperscript{8} Quoted in Ghildyal, V.C. : "The Course of Community Development" in Yojana, Annual Number, Republic Day, 1973, p. 57
It was the first stalwart co-ordinated efforts to lift the centuries old stagnant of rural economy from the marsh of lethargy. The achievements of the programme were many-folds:

(a) At the first sight, the programme had brought a social awareness in the field of agriculture, education, rural health and organic growth in the rural areas.

(b) A new organisation in the form of C.D. Blocks was come into exist through which the present R.D. Programmes have been implemented.

(c) The modern Co-operatives and Panchayati Raj systems were born in the lap of Community Development.

(d) An administrative set-up was established to provide the training facilities to the administrators at various levels to man this programme.

(e) It also provided the basic amenities and infrastructure facilities to the remote areas and remoulded the poor peasants to take part in the renaissance.

From the above, it is a indisputable fact that the programme had been able to lay down the foundation of a very
strong development agency right from the village level to the national level with fair representation of elected non-governmental representatives in the form of_Panchayati Raj_and Co-operatives.

Despite of these, the C.D. Programme has suffered from lot of drawbacks for which, its importance has been decreasing gradually in the midst of sixty. The major reasons of failure have been listed below:

(a) **Agriculture**

It is nodoubt that as a result of the programme, the agricultural production has been gone-up rapidly. It is now triple than what it was in the fifty decade. But the rate of increase is not steady one. More particularly, it has been fluctuated with the fluctuation of seasonal rainfalls. Besides, the increased production has been confined to the big farmers which contravenes the very purpose of the C.D. Programme.

In this regard, the seventh Evaluation Report (1960) made a survey on the C.D. Blocks and noted that out of 18 Blocks, 14 Blocks was suffered from lack of irrigation facilities. Whatever little was provided, the major portion was received by the big farmers. 

(b) **Improper investment**;

Adequate attention had not been paid to agricultural improvements. The Community Development officials were more interested in supplying the infrastructure facilities rather than more investment for agricultural development. The Balwant Rai Mehta Committee reported that "the all India average of additional food production in the Community Development and Extension Services Blocks comes only to 10.8 per cent."\(^{10}\)

(c) **Inequal distribution of benefits**;

The programme was not able to make any impact at the grass root level. The small and marginal farmers, the artisans and landless labourers were not getting the subsidy, loans and improved implements as provided by the C.D. Blocks. The big farmers, who have more friendship with officials, had consumed the benefits of the programme. A survey conducted by the study team on Community Projects found that only 8 per cent of the farmers, whose holdings are below 5 acres are using chemical fertilizers as against 74 per cent of the farmers who holdings are above 10 acres. The percentage of small farmers using pesticides is only 3 per cent while in case of big farmers it is 89 per cent.\(^{11}\)

(d) Declination of people's contribution and Government expenditure on C.D. Programme:

In the First Five Year Plan, it was clearly mentioned that people's contribution in the form of money or labour is a condition for availing the benefits provided under the scheme of Community Development. But, in practice, it could not be materialised. They felt "since Government is out to develop the rural areas, it should do everything without seeking any contribution from the people."  

As such, they become more dependent on Government rather than developing the self-confidence. Consequently, the people's contribution for the programme has been decreasing gradually from plan to plan. Their contribution in the first three plans were Rs. 25.1 crores, Rs. 77.3 crores and Rs. 48.9 crores respectively. Thereafter, it was Rs. 4.5 crores (1966-67), Rs. 2 crores (1967-68) and Rs. 2.2 crores in 1970-71. These steady fall of voluntary contribution was due to the fall of government expenditures made for community works and amenities programmes, which attracted public contributions. Besides, the increased taxation by the Panchayat Raj bodies was also responsible for less contributions.

---

12. First Five Year Plan, Govt. of India, p. 229
14. India (A Reference Annual) 1973, publication Division, Govt. of India, p. 106
The Government expenditure on C.D. Programme during the Plans were as follows:

Table No. 5.1:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Plan</th>
<th>India (in crores)</th>
<th>Assam (in lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>First Five Year Plan</td>
<td>Rs. 233.1</td>
<td>Rs. 231.6</td>
</tr>
<tr>
<td>2.</td>
<td>Second Five Year Plan</td>
<td></td>
<td>Rs. 623.7</td>
</tr>
<tr>
<td>3.</td>
<td>Third Five Year Plan</td>
<td>Rs. 267.3</td>
<td>Rs. 964.6</td>
</tr>
<tr>
<td>4.</td>
<td>Adhoc Plan</td>
<td>Rs. 51.28</td>
<td>Rs. 552.7</td>
</tr>
<tr>
<td>5.</td>
<td>Fourth Five Year Plan</td>
<td>Rs. 115.20</td>
<td>Rs. 767.0</td>
</tr>
<tr>
<td>6.</td>
<td>Fifth Five Year Plan</td>
<td>Rs. 129.8</td>
<td>Rs. 839.2</td>
</tr>
<tr>
<td>7.</td>
<td>Sixth Five Year Plan</td>
<td>Rs. 150.0</td>
<td>Rs. 249.6</td>
</tr>
<tr>
<td>8.</td>
<td>Seventh Five Year Plan</td>
<td>Rs. 416.15</td>
<td>Rs. 200.0</td>
</tr>
</tbody>
</table>

*Source*: (a) Planning Commission, Govt. of India & Assam.

Despite of bold development steps, taken by the C.D. Programme, the criticism is vociferous both in India and abroad. The majority critics opined that the programme was failed in achieving its main objectives. A study was made by the Programme Evaluation Organization in 1960, in 18 Blocks of 13 States and concluded that "People's reactions in most of the Blocks studied are not yet generally favourable to the growth of self-
reliance in village communities which is the primary aim of the C.D. Programme."15

Regarding the impact of C.D. Programme, Philip H. Coombs and Mansoo Ahmed16 stated that after first decade of operation, the Community Development Programme had not significantly altered the basic conditions of rural life suffering from the abject poverty, malnutrition, ill-health and worsening food crisis. Apparently, mainly on this score on its failure to stimulate sizeable increase in production and income flows - Many Indian observers declare Community Development a failure.

However, it will not be proper to say that the programme was totally failed. Atleast, it had been able to bring a change of new thinking in the minds of the people as well as to planners. Of course, the programme is not successful due to lack of dedicated and self-sacrificing leadership. In this respect, Sri Ashok Mehta, Deputy Chairman of Planning Commission while speaking in the Community Development Minister's Conference in 1963 at Delhi, said "C.D. Programme's Officials responsible for the abysmal ignorance of villages about this programme," and Pt. Nehru remarked that "Community Development

15. 'Seventh Evaluation Report on Community Development and some Allied Fields', P.E.O, Govt. of India, 1960, p.104
Personnel were given to bossism and the whole programme had fallen in to 'gut'\(^\text{17}\)

As such, unless, the officials are aroused from the somnolence on the old bed, the expextion from any new programme will also be doubtful.

Inspite of the drawbacks, the C.D. Programme had provided as new dimension to rural development. To make the programme, a people's programme, the above short comings should be removed. Besides, the programme's policies on agriculture, land reforms, inputs, pricing and other amenities should be framed after examining the characteristics of the particular regions. More emphasis should be given to educate the people and the officials so that their mental attitude towards the programme are not disrupted by their personal foes.

(2) Green Revolution:

The intensive Agricultural District Programme (IADP) and the intensive Agricultural Area Programme (IAP) were started in 1960 and 1965 respectively as a package programme. This new approach had brought the greenery to the masses of rural periphery. As a result, this period was termed as Green Revolution.

\(^{17}\) Murari Krishna: "Forty Years of Rural Development" Kurukshetra, July, 1988, Vol. XXXVI, No. 10, p. 39
in the Indian history. But the problems of rural poor could not be solved. The Review Committee stated that "it quickened the process of economic Polarisation in rural areas and contributed to increasing social antagonisms between landlords and tenants and land owners and labourers." 18

(3) **Target Group Approach**:


The overall assessment of the above parties is that the larger beneficiaries of these programmes were the elite rural gentry. Besides, the bureaucracy and the local big wigs cheated the exchequer and the poor by unequal distribution of relief during drought and flood. As such, it became a hot-bed of corruption.

(4) **The Poverty Alleviation Programme**

The First Draft of the Sixth Plan (1978-83) was introduced the Integrated Rural Development Programme (IRDP) as a package action programme to tackle the serious problem: the Rural Poverty. It was a centrally sponsored poverty alleviation and beneficiary oriented programme extended to whole Indian territory in later part of 1980. It has a very wider objective and focussed on the target group. All target group programmes, multipurpose programmes, areas development programmes, such as TRYSEM; NREP; RLEGP; SEEP; FWP etc. have been merged in to IRD programme to make it a multipurpose programme. About the programme, once, the Asian Development Bank said: "it is a programme for action with the focus on the rural poor: its main economic goal is to increase the productivity of the rural poor and an important role is assigned to the
participation by beneficiaries in the planning and execution of programme components. In fact, it has brought a lasting solution to some extent, for collective families to cross the poverty line within a short period of its implementation. The IRDP is also called as DRDA (District Rural Development Agency).

X. Sixth Plan's Strategy:

The selection procedure of beneficiaries, under the IRDP had been fixed by the Sixth Plan. The Plan considered the families, as poorest of the poor, whose income was less than Rs. 3000 annually. This limitation was raised to Rs. 4000 in the latter period of the Plan. The commitment of the Government, under the plan was to bring down the percentage of the population below the poverty line to less than 10 per cent by 1995. To achieve the objective, the plan gave priority on subsidy assistance to the productive fields of agricultural areas and emphasis was given for expanding the agro-based industry to generate more employment in the rural areas.

However, the Evaluation studies reveal that not more than 40 per cent of the beneficiaries have crossed the poverty line.

during the plan. The performance of the IRDP in NER is not come up to the mark. In the words of Maithani, the Regional Director, NIRD "the direct attack strategy visualises poverty primarily as a post-growth phenomena created by increasing disparities between the 'haves' and the 'have nots' due to uneven growth. On the other hand, the poverty and backwardness of north-east is largely due to lack of growth itself rather than due to skewed distribution of productive assets. Two pronged approach of poverty alleviation viz., distribution of productive assets to the poor for promoting self-employment under IRDP and creating wage employment opportunities under NREP/RLSP has therefore only limited utility under the conditions obtaining in the north east." 20

XI. Seventh Plan's Strategy:

The two fold strategy have been adopted under the Seventh Five Year Plan. Firstly, benefits provided during the Sixth Plan are to be consolidated and a supplementary dose of assistance would be given to those, who have not been able to cross the poverty line. Secondly, new beneficiaries are to be selected and one dose of assistance would be given to cross the poverty line.

---

According to revised strategy, the poverty line has been fixed at Rs. 6400 per annum per family and the cut-off point for identification of beneficiaries is Rs. 4800.

The major policies thrust in the Seventh Plan were:

(i) Special Rice Production Programme in the Eastern Region;
(ii) National Watershed Development Programme for rainfed agriculture;
(iii) Development of Small and Marginal farmers;
(iv) National Oilseed Development Projects.

To have a closer monitoring of the IRDP, a new system has been introduced with effect from October, 1985. As per this system, monthly concurrent evaluation has been taking-up in 36 districts, 72 blocks and a group of 10 current and 19 old beneficiaries.

The programme evaluation organisation of the Planning Commission; RBI; NABARD and other institutions have conducted several studies for the programme. They reported that there has been substantial progress in implementation of the IRDP during Sixth Plan.\(^{21}\)

However, the Seventh Plan evaluation studies have shown certain deficiencies.\(^{22}\) They are:

---

21. 'India': A Reference Annual, Govt. of India, 1985, p. 325
22. Seventh Five Year Plan, Vol. II, Planning Commission, New Delhi, p. 32
(a) the performance of the programme is not uniform all over India.
(b) the importance of local condition has not been given for selecting the scheme in the blocks.
(c) the identification of beneficiaries are not at all satisfactory.
(d) regarding the credit facilities and subsidies, there has been largescale corruption and malpractices which have not been quantified by any of the evaluation studies.
(e) Increasing bureaucratisation in replacing the representative bodies.
(f) colonial pattern of administration has taken away the flexibility of the programme.

In fact, it is to be noteworthy that the IRDP has been done a lot of progressive works to the poorest of the poor despite of above difficulties. Further, care must be taken for the following factors for quick success of the programme.
(a) For the execution of the programme more opportunities should be given to the people and their representatives.
(b) the Democratic Decentralization should be activised and more emphasis should be placed on voluntary actions.
(c) The prevailing demarcation of the Block's and Panchayat's Areas should be remarked into a small boundary so that inspection can be made easily.

(d) The District should be the basic unit for policy making and implementation of the programme but plan of action should be prepared from the village level to top level not from the top level to village level, which will help in selecting the priority and understanding the need of the locality.

XII. Other Important Schemes for Rural Development:

The other important schemes for eradication of poverty of the rural masses are:

(a) Lead Bank Scheme and Block level planning.

(b) NABARD (The National Bank for Agriculture and Rural Development)

(c) Applied Nutrition Programme.

(d) 20 Point Programme

(a) Lead Bank Scheme:

The Lead Bank Scheme was introduced in December, 1969, by the Reserve Bank of India for Banking development as well as human development. The main objective was to offer welfare
services to the weaker sections of the society. The implementation was to be made in area-wise. As a result, all the districts of India (except Metropolitan cities and Union Territories) was allotted to the State Bank of India and its 7 subsidiaries, 14 nationalised Banks and 2 other Indian Banks.

As per issued guidelines, the Lead Banks were advised to take up the district credit planning works on a Blockwise basis in view of the national policy to make the Block the basic geographical unit for planning.23

Accordingly, it adopted the district credit plans and block level planning as a means of integrated rural development for solving the rural credit problems.

The Lead Bank Scheme covered all districts of Assam. The districts of lower Assam were allotted to united Commercial Bank, the district of Upper Assam and Cachar district were allotted to the United Bank of India and the Hill districts were allotted to the State Bank of India. Besides, there are some Regional Rural Banks (RRBs) who have been providing the credit facilities for rural development purposes.

The Lead Bank scheme is also suffered from the problems like attitudinal, organisational, lack of Co-ordination and inadequate supply of infrastructure facilities. However, it has a great potential wealth to contribute for rural development and to lend appropriate support for speedy implementation of the Integrated Rural Development programme.

(b) NABARD:

The National Bank for Agriculture and Rural Development (NABARD) was established on July 12, 1982, on the recommendation of the Nation Commission on Agriculture (1976) and the Committee to Review the Arrangement for Institutional Credit for Agriculture and Rural Development (CRAFICARD) in November 1979. NABARD is an apex institution to provide effective leadership in Co-ordinating the activities of the Commercial and Co-Operative Banks and to provide credit facilities for agricultural and rural development programme. It has been providing finance to the farmers and non-farming population of weaker sections. There is a Regional office of NABARD at Guwahati to provide the development facilities in NER.

Indeed, the nature of the rural problems are so complicated that it has also lacked behind in achieving the success.
(c) **Applied Nutrition Programme**:

One of the causes of ill-health of the rural people is the nutritional deficiency. To wean away the people from a superior cereal diet to a non-cereal, but with a high nutrient content diet, the Applied Nutrition Programme was centrally sponsored in collaboration with UNICEF, FAO and WHO. The aims of the programme were specially at securing needed nutritional supplements for rural childrens of below poverty line and nursing mothers. Under this programme, nutritive foods are distributed amongst the under-nourished children and pregnant and lactating mothers through the development blocks and Panchayati institutions.

However, the programme has not produced any lasting impact as it was not closely linked with other rural development programme. Due to lack of integrated approach and inconsiderate leadership, the programme has not made any dent to improve the nutritional status of the rural communities.

(d) **20-Points Programme**:

The 20-points programme was announced by the Prime Minister, late Indira Gandhi in July 1973, ushering a new
era for the development of the downtrodden societies. The programme policies were revised in 1982, to make it more meaningful. Once again, the programme was revised on August, 20, 1986. The objectives of the restructured programme were:
(i) eradicating poverty; (ii) reducing income inequalities; (iii) raising productivity; (iv) improving standard of living; and (v) removing regional disparities. The programme has been described as the "cutting edge of the plan for the poor."

It was a most important item in the District Credit Plan for removal of poverty. The Banking Sector was advised to play an important role in implementing the programme. Their functions were among other things, in bridging the gap created in the rural structure following imposition of moratorium on debt recovery, in assisting the farmers who have been newly allotted lands for cultivation, in providing assistance to those released from bonded labour for taking subsidiary activities allied to agriculture, in financing minor irrigation programme, in promoting development of handloom industry, and in enlarging employment opportunities especially for the weaker sections. It is to be noteworthy that the first 10 items of the 20-points programme are especially made for the development of the rural poor.
This programme is also suffered from the lack of coordination and organisation, political influence and absence of harmony in bureaucracy and the people.

XIII. Institutions for Rural Development:

During the last three and a half decades of development process, many institutions have been set-up at national level as well as at state level for implementation of rural development programmes. Some of them have been started for multipurpose development and some of them started with single objective. But unified objective is to help the rural people under the control of Government. They are as follows:

(a) **Statutory corporation**:

(i) The Agro-Industries Corporation,

(ii) the National Small Industries Corporation,

(iii) the Handicraft and Handloom Corporation,

(iv) the National Co-Operative Development Corporation,

(v) the State Trading Corporation

(vi) Food Corporation of India,

(vii) Rural Electrification Corporation,

(viii) Minor Irrigation and Tubewell Corporation
(b) **Boards** :

(i) The National Dairy Development Board,

(ii) The Central Silk Board,

(iii) State Khadi and Village Industries Boards

(c) **Others** :

(i) Khadi and Village Industries,

(ii) The District Industries Centres,

(iii) Regulated Markets.

(d) **Co-Operative Organisation** :

(i) The National Agricultural Co-Operative Marketing Federation,

(ii) Primary Marketing Societies,

(iii) Co-Operative Processing and Manufacturing Societies,

(iv) Statefed, Fishfed, Housefed, Artfed etc.

XIV. **Development Policies and Priorities during the Five Year Plans of Assam** :

The Planning Commission was set-up in March, 1950, with Pt. Jawaharlal Nehru as its Chairman. The first Five Year Plan covered the period from April 1, 1951 to 31st March 1956. The objectives of the First Plan was "to correct the
disequilibrium in the economy caused by the war and the partition and to develop certain basic resources so as to lay the foundation of more rapid economic growth in the future."24

The aim of Assam's First Five Year Plan was "strengthening the economy at the base and to initiate a process of institutional change where-ever required."25

During the World War Second, a Reconstruction Committee Council was set-up to formulate the economic policies for the guidance of the Central and Provincial Government.26 As per the guidance, the Assam Government started the development programme for economic reconstruction of Assam. But the programme did not make any headway on account of limited resources. Indeed after independence, the village upliftment scheme was implemented by the Government with the co-operation of the people.

The Assam's First Plan outlay was very small. She got only Rs. 17.5 crores as against the National Plan of Rs. 2,378

24. First Five Year Plan Document, Govt. of India, p. 16
25. First Five Year Plan, Govt. of Assam, p. 1
crores. With this meagre fund, it was not possible for Assam Government to execute the rural development policies.

The rural structure of Assam is composed of different tribes, cultures, classes, and regions. In 1972, the State was divided into seven units. They are: Assam, Meghalaya, Nagaland, Manipur, Tripura, Arunachal and Mizoram. Now-a-days, these are called as "Seven sisters." As such, the policies framed for one area did not suit the other areas. The North-Eastern Council (NEC) was set-up to look over the economic policies of the Region as a whole. But lack of co-ordination have been seen between the NEC and the Planning Commission and other development department in implementing the development programmes.

The First Five Year Plan was prepared haphazardly without any previous experiences. The result was the patchwork of isolated projects. It laid emphasis on agriculture, irrigation power and transport. Besides, the First Plan had given topmost priority on rural development by introducing the Community Development Programme for rural mobilisation. As such, the target laid down in the first plan of Assam was to cover one-fourth of the rural population. However, only 20 per cent of population was brought under the C.D. Programme by the end of 1955.  

27. First Five Year Plan (Assam) - A Review of Progress, p.
Table No. 5.2: Distribution of plan outlay and pattern of priorities (Assam)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Heads</th>
<th>First Plan</th>
<th>Second Plan</th>
<th>Third Plan</th>
<th>Annual Plan</th>
<th>Fourth Plan</th>
<th>Fifth Plan</th>
<th>Sixth Plan</th>
<th>Seventh Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Agriculture &amp; Allied subjects</td>
<td>362.77</td>
<td>17.68</td>
<td>737.37</td>
<td>13.30</td>
<td>1236.0</td>
<td>9.3</td>
<td></td>
<td>13244.0</td>
</tr>
<tr>
<td>2.</td>
<td>Co-operative &amp; Community Development</td>
<td>122.95</td>
<td>5.90</td>
<td>762.37</td>
<td>14.02</td>
<td>975.0</td>
<td>7.4</td>
<td></td>
<td>13860.0</td>
</tr>
<tr>
<td>3.</td>
<td>Irrigation &amp; Power</td>
<td>450.44</td>
<td>21.45</td>
<td>662.61</td>
<td>12.70</td>
<td>5730.0</td>
<td>43.3</td>
<td></td>
<td>5560.0</td>
</tr>
<tr>
<td>4.</td>
<td>Industry &amp; Mining</td>
<td>6.04</td>
<td>0.34</td>
<td>437.59</td>
<td>8.00</td>
<td>790.0</td>
<td>6.0</td>
<td></td>
<td>1232.0</td>
</tr>
<tr>
<td>5.</td>
<td>Transport &amp; Communication</td>
<td>349.18</td>
<td>16.02</td>
<td>712.33</td>
<td>12.20</td>
<td>785.0</td>
<td>5.9</td>
<td></td>
<td>1057.0</td>
</tr>
<tr>
<td>6.</td>
<td>Social Services</td>
<td>746.18</td>
<td>36.39</td>
<td>2017.36</td>
<td>37.02</td>
<td>3591.0</td>
<td>27.1</td>
<td></td>
<td>1537.0</td>
</tr>
<tr>
<td>7.</td>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>153.76</td>
<td>2.51</td>
<td>130.0</td>
<td>100</td>
</tr>
<tr>
<td>8.</td>
<td>Hill Areas Programmes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2050.79</td>
<td>100</td>
<td>5448.19</td>
<td>100</td>
<td>13244.0</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: (1) Planning & Development Department (Assam), "First, Second, Third, Annual, Fourth, Fifth and Sixth Plan" Govt. of Assam.
(2) Statistical Handbook, Govt. of Assam (Seventh Plan)
Beginning with the First Plan to Seventh Plan, it has been noticed that the Government of Assam had been given topmost priorities on Agriculture, Irrigation and Social Services. During 1st to fifth plan, the C.D. Programme had got separate allocation. But, since Sixth Plan it was included in Rural Development. Prior, to this, the agricultural development came to be regarded as a means of rural development. In all the plans, the social services have played a vital role for economic development of the state. During the third plan, the Community Development and related infrastructure had received more importance. In the Sixth and Seventh Plan, the rural development policies for irrigation, agricultural input supplied, animal husbandry and village industry have received highest priority for eradication of poverty.

Rural Development policies have been framed for increasing employment, production and productivity. Although, the agriculture is the only source of income and employment of rural sector, nevertheless, the development of agriculture is closely related with the development of the infrastructures, tertiary sector, and rural industries. The development of infrastructure will increase the employment opportunities to job seekers, and improve the agricultural practices.
Besides, it will help in raising the standard of living in the rural areas. The tertiary sectors, like electricity, banking, commerce, transport, insurance etc. will provide the incentives and employment to the village people. Likewise, the cottage and village industry will expand the job opportunities to the rural artisans. The modernisation of agricultural practices has created a wider scope for development of agro-based industries. As such, to settle the rural problems, the proper co-ordination is necessary among the above sectors with the rural development programmes.

XV. State's Machinery for the Rural Development:

The Community Development Programme was the first rural development programme in the Independence India. The Ministry of Community Development was the overall in-charge of the programme during fifties. In sixties, this ministry was merged with the Ministry of Food and Agriculture. In the mid of seventies, a separate Ministry was formed for rural development, covering all the development programmes like C.D. Programme and Panchayati Raj and special programmes for upliftment of rural poor. This Ministry laid down the policies and procedures and determined the central assistance in this
regards. But the responsibility for executing the policies was rest with the State Governments. The State Government has to perform the functions of the most important subjects included in the state's list like Agriculture, Animal Husbandries, Minor Irrigations, Educations, Public Healths, Local Governments etc. For the subjects included in the concurrent list are the responsibility of the both the Governments.

In the District level, the District Commissioner, at Block level, the Block Development Officer and at village level the Gaon Panchayats are the overall incharge for the implementation of the programme.

The Panchayat Raj was introduced in the year 1959 as per recommendation of Mehta Committee. It was described as the 'Master blue print' and a sort of 'Bible of Panchayati Raj.' The system was introduced in three tier system and had to function as:

(a) a unit of rural development and
(b) an agency of Community Development and State Government.

The three tier system in Assam are Mahkuma Parishad, Anchalik and Gram Panchayat. The Assam Panchayat Amendment

Act, 1972 had abolished the middle tier namely the Anchalik Panchayat and attached the development of works of Blocks on Mahkuma Parishad. Since then, the rural development activities have been deadlocked and Geon Panchayats have practically nothing to do and virtually, all the powers of Panchayati Raj are vested in the bureaucratic circles.

It deserves mentioning that Ashok Mehta Committee was appointed in 1977 to review the workings of Panchayati Raj. He submitted the report in 1978, with the recommendation for introduction of two-tier system of Panchayats in India.

The impact of this amendment was that the deadlock of development works at village level for wanting of proper agency. However, the Government of Assam is going to make a new amendment with reviving the three-tier system of Panchayati Raj. The new act will be called "the Assam Panchayati Raj Act, 1986." The new act has received the assent of the President on 23rd November, 1986. The amendments to the Assam Panchayati Raj Act are proposed in order to bring about democratic decentralisation of powers for development of rural areas.

29. Assam Panchayati Raj Act, 1986 (Assam Act XVII of 1986), Govt. of Assam, p. 6
30. Assam Gazette, Extraordinary, dt. 3.4.1986
However, this new Act is not introduced till now, due to non-holding of Panchayati Election since 1977 which is held-up due to non-revision of voter's list as per Assam Accord.

The organisation structure is a modest process for rural development. Despite of, these larger organization, the programme could not be successful due to bureaucratic attitudes and rampant corruption of the middle men. Otherwise, there is no such programme in the world which could compete with India's programme. Therefore, the rural development programme's policies should be framed in such a way that it will provide more justice than the mere implementation of the programme.

The proceeding chapter would be concerned with the organisation structure and administration.