Chapter 1

STATEMENT OF THE PROBLEM
AND METHODOLOGY
1. STAMENT OF THE PROBLEM

The world economies are classified into developed and less developed economies. The less developed countries are found to have social dualism-manifested through the existence of haves and have-nots. The have-nots or the proletariats are deprived of any right on income generating assets. Portraying the picture of the proletariat, Marx remarked that people of the proletariat class, "having no means of production of their own, are reduced to selling their labour power in order to live". The fruits of development are not optimally shared by them because they have no assets. They constitute the lowest rung of the society ladder and are pressed to lie under the poverty-trap. They have neither willingness nor capacity to come out of stagnation. But it must not be forgotten that, "Poverty is a great social and moral challenge. Poverty as an operational concept in the context of a poor country like ours has to be understood carefully and this is an intellectual challenge". This challenge must be faced properly in our country which is wedded to the ideology of a welfare state, where most of the poor belongs to labour class.

Now it will not be an exaggeration to state that removal of poverty Vis-a-Vis upliftment of the especially rural labour will significantly add to the social utility functions of the society since they accounts to 42per cent of Indian work force. So, it is imperative that the researchers of economics and other social sciences should probe deeper into the economic and social problems of the rural labour in order to find out correct solution for their upliftment.

India said to lives in villages where three out of every four Indians live in villages. Majority of the rural population is engaged in agricultural and allied activities to earn for income and livelihood. According to 2001 census 58.2 per cent of the total working population in the country has been working in the agricultural sector. Contribution of agriculture and allied activities to the national income is about 20.3 per cent (2009-10). Still Indian rural masses are serving without adequate food, clothing and shelter, and what to speak of modern medical, educational and cultural facilities irrespective of six decades planed efforts irrespective of six decades planed efforts.

In India right from Raja Ram Mohan Roy (1772-1833) to Gandhiji as well as the present day planners and policy-makers, all appear to have shown an awareness of
the problems of people residing in the rural areas of the country and emphasized the need to bring about rural reconstruction which has been receiving considerable attention especially, since the era of economic planning. But even today the picture of a typical or representative Indian 'village is that of an ill-defined assemblage of mud-walled cottages with thatched roofs, with hardly any roads and source of drinking water and inhabited by men and women, illiterate and ill-fed, and surrounded by a crowd of rickety children, all living in the company of or side-by-side an equally emancipated buffaloe, or a cow or a goat.

The term 'Rural Labour' itself is sufficient enough to show and represent the poverty of the people belonging to this very class. Being a labourer itself denotes that it is that man who having no way out, is compelled to perform physical labour simply for surviving and for keeping his dependents surviving on the earth. But when the condition is viewed in the context of rural India, certainly, the picture of the 'poorest' comes before the eyes. As a matter of fact, despite being in the superlative degree, the term 'poorest' fails to depict the real condition of rural labour in India. It is in this context that the term "poorest possible" can be used, as it is really unthinkable for any one that there can be more low level of poverty. Undoubtedly, how these people manage to survive amidst this much of poverty, is a very-very surprising question for those who are fortunate enough and have never faced this type of poverty.

For rural labourers in India, poverty is not merely a state of 'stagnation', but a state of 'destitution' and 'regression', even on a slowly ascending curve of economic and social betterment. Destitution is the highly accentuated form of deprivation, and represents the section which is not only economically but socially and politically too, far below the critical minimum.

In India, still exist the age-old discriminatory systems like caste-system, undoubtedly, which is one important hinderance in development of our rural mass. In rural areas, it is found in a more strong position. It badly affects the vocational mobility and individual independence, which in its turn affects the will of earning more in a negative manner. But at the same time it can not be generalised that all who are socially backward are economically backward too. However, it cannot be denied that most of the rural labour force is economically as well as socially backward. In Indian context, it is difficult to realise the utopian idea of classless society, where all ranks are
eliminated and social inequality is completely erased. Still the existing system cannot be said to be desirable.

Again, the social and moral aspects of this system also deserve the attention. No one can deny the fact that it is completely inhuman to regard any one as superior or inferior on the basis of caste. It leads to confrontation, which disturbs the social set-up. So at least from this point of view it poses a challenge. Illiteracy of this class also contributes a lot to their backwardness. In a country with a very high level of illiteracy, the role and responsibility of running a government and leading the country on a path of economic growth and affluence is likely to rest on a small minority of elite. They possess knowledge and whatever know how that is available. Political power may make them economically strong, or economic power may help them to become politically influential. And it is in this way that this labour class remains always out of the scene.

The formulation of government policy of giving special privileges to the Scheduled Castes and backward classes has served the two-fold function of fostering the solidarity of the caste and at the same time widening the gulf between the rich and poor within the same caste. The effect of this new trend can very easily be witnessed in almost every part of the country, especially in rural areas. Today, the confrontation is not only between the people belonging to lower castes and those belonging to upper castes, but also within the people of the same caste (including lower castes).

Thus the problems of rural labour in India are multi-dimensional. It is an economic as well as social, political and psychological problem too. It has given rise to many challenges before the society. These challenges are very much different in nature as compared to those which existed in earlier days. The increasing attention to those which existed in earlier days. The increasing attention for the welfare of these have-nots has certainly brought many positive results, but at the same time has also complicated the situation. So far as desirable solution is concerned, very-very attentive and balanced efforts are required. As a matter of fact, all these socio-economic as well as political problems are closely interwoven. None of these can be understood in an isolated manner. Every problem, directly or indirectly affects the other. So the problems, which have taken the shape of serious challenges before the economy as
well as before the society, are to be tackled in a very- very cautious manner so that no imbalance takes place.

In India though more than 80 per cent of the rural labour is composed by agricultural labour, the former must not be taken as a synonym of the latter. As agricultural labour is a major constituent of the rural-work-force, it is necessary to focus first on the concept of agricultural labour. The National Commission on Labour regards agricultural labourers as one who is basically unskilled and unorganised and has nothing but physical labour to exist. As such, the major part of the income of such a worker is derived from wages for work on land. In the 1961 census, those people were treated agricultural workers who work on other's land and who are paid in cash or kind. In the light of the above definitions, one may regard those people as agricultural labourers, who work in the agricultural sector on wages, or those who work as wage- labourers for a large part of the year, i.e., whose incomes are derived mainly from wage- labour in agriculture.

Now, as mentioned above, it may be noted that despite sharing a big chunk of rural labour force, agricultural labour does not constitute the whole work-force. In the rural areas small scale and cottage industries create meaningful employment opportunities besides workers in the tiny sector. Rural labour force includes also such labour as workers engaged in soil cutting, bidi-making, brick-laying, house-construction, road bridge and dam construction, wood cutting, tanning, etc. Thus, obviously the concept of rural labour has wider connotation.

Government of India recognized the need for sound data base during early years of Independence about rural labour and conducted first and second Agricultural Labour Enquiries in 1950-51, and 1956-57. Thereafter, the scope of the subsequent labour enquires was extended to cover all rural labour households, instead of agricultural labour households alone. Hence, from the third enquiry onwards the series is known as the Rural Labour Enquiry (RLE). So far, NSSO conducted eight Rural Labour Enquiries with an interval of four years.

As per Rural Labour Enquiry Reports 1964-65 and 2004-05 the number of rural households increased from 70 million to 150 million in our country. In other words, rural households doubled in 40 years. But rural labour households number
increased nearly two and half times during the same period. As a result, the share of rural labour households in total labour households also increased from 25 per cent to 36.2 per cent in India during these 40 years. However the percentage of agricultural labour households to rural labour households decreased from 86 per cent to 80 per cent in the same period. According to RLE 1999-2000 there are 1.37 lakh rural households in India of which 70 per cent belongs to socially weaker sections. The social composition of rural labour households is quite different to that of rural households. 82 per cent of rural labour as well as agricultural labour households belong to SC, ST and BCs. It means, majority of rural labour households belong to lower social strata of the society.

In Andhra Pradesh as on 1999-2000 rural households account for 12,719 thousand of which 49 per cent are rural labour households and 42.5 per cent are agricultural labour households. The agricultural labour accounts for 86.7 per cent of rural labour households in Andhra Pradesh. Among rural households in Andhra Pradesh, the social compositions of rural labour households are: BCs 43 per cent, SCs 35 per cent and STs 7.3 per cent. The reaming 13.9 per cent of rural labour households belongs to other forward communities i.e. OCs.

Since 1950-51, India adopted five year plan strategies for overall and steady development of the economy with the assumption that fruits of overall development would percolate to all the sections and regions of our society uniformly. But in fact, the overall development approach strategy helped the comparatively rich to become richer and on the other poor became poorer according to Dandakar and Rath's study "Poverty in India". Dandekar and Rath in their study "poverty in India" (1971) analysed the nature and dimensions of rural poverty in India by making use of NSSO consumer expenditure of different categories of the people in between 1962-63 and 1967-68. Their study putforth the surprising empirical evidences relating to the extent of poverty, incidence of poverty among different social and economic categories as well as different regions of the country.

According to this study, poverty in India is rural in nature since rural poverty accounted for 80 per cent of total poverty and the urban poverty is nothing but over flow of rural poverty. It means migration of rural poor to urban areas is the main cause for urban poverty. Similarly this study explained the fact that incidence of
poverty among agricultural labour is highest at 57 per cent who accounts to 80 per cent of rural labour force. Further, the study brought fourth the fact that the number of poor in India has increased from 177 million in 1960-61 to 216 million in 1967-68 inspite of India’s planned efforts to promote living conditions of our population.

Thus, the Dandakar and Rath study proved the need for economic research in real life over the need for science and technology advancement for balanced development and diverted the planned strategy from macro to micro approach and towards ‘target-group’ approach.

In accordance with above study findings, since 1970’s in India our planners formulated and implemented various programmes and policies to promote rural development to reach the fruits of development to the lower strata of the society. These programmes can be broadly categorised into wage employment and self-employment programmes. Under self-employment programmes income generating assets are provided with money subsidy and concessional financial assistance to the poor so as to earn their livelihood by themselves. For example, provision of cows, sheep etc., under IRDP programme. Under wage employment programmes employment is provided for certain period to supplement their family income as under NREGP programme, Food for Work Programming etc.

The Indian government felt that provision of wage employment alone could act as safety net to the poorest of the poor in rural areas to lead their life as human beings. Hence, NREGP Act was enacted in 2005 which aimed to provide minimum 100 days of employment with minimum wage based on Maharstra’s exprence which was successfully implemented since 1972-73. For this scheme, so for, Government allocated 0.66 per cent of our GDP instead of 1 per cent mentioned in the Act. This scheme started functioning from 2nd Oct. in 2006 and so for all districts in India are covered by 2010.

Chittoor district is one among 23 districts of agrian Andhra Pradesh. On par with Andhra Pradesh geographical composition-Telangana, Rayalaseema and Coastal Andhra regions the Chittoor district can also be divided into three natural divisions eastern (Tirupati) western (Madanapalli) and center (Chittoor) divisions based on its geographical diversification. There are 41,70,468 people living in three division of the
district as per 2011 census. In Andhra Pradesh net sown areas account to 39 per cent of total geographical area. Net sown area accounts to less than one fourth of total geographical area (24%) in the district due to forest’s lion share. Tank and well irrigation is the main source of irrigation in the district which accounts to 36 per cent of total sown area in 2008. But the extent of net irrigated area to cropped area varies among three regions of the district. In Tirupati division gross irrigated area to gross cropped area accounts to 77 per cent followed by Chittoor division and Madanapalli division with 30.8 per cent and 22.6 per cent respectively. In an agrarian economy agricultural prosperity, income and employment generation are positively related to extent of irrigation. Hence Tirupati division is comparitively prosperous to that of other two divisions.

In Chittoor district agricultural labour accounts to 35 per cent, followed by other workers 23.7 per cent and household and cottage- industry workers 3.5 per cent of the total workers. The rural labour conditions are not uniform in all divisions due to diverse in geographical climatic conditions and agricultural conditions. The eastern part of the district is said to be comparatively better to that of western part of the district, with regard to the availability, of employment wage rate, working conditions etc. In the district as a whole rural labour remains unemployed especially in agricultural off-seasons like summer. Hence, the District administration has been implementing NREGP programme especially during agricultural off-seasons by taking up various rural work programmes based on the requirements of the people in three divisions of the district. This programme implementation has been more effective after the enactment of NREGP Act 2005. By 2009-10 50,730 works are completed worth of Rs.44,093 lakhs. In 2009-10 59,904 workers are in progress worth Rs.83,723 lakhs. Under this programme 1,71,723 workers got employment in between 2006-07 and 2009-10. In total 4,37,33,098 person days of employment generated in the district since its implementation.

In Chittoor district where the NREGP has been implemented effectually since lost five years, it is the right time to evaluate the this programme to analyse its impact on rural labour living conditions in three distinct geographical revenue divisions of the district. Hence, in this study an attempt is made to analyse the impact of NREGP on different social groups of the rural labour in three revenue divisions of the district.
1.2 METHODOLOGY

i) Objectives

The objectives of the study are:

1. To analyse the socio-economic conditions of rural labour in India;
2. To evaluate the performance of NREGP in India and Andhra Pradesh;
3. To analyse the socio-economic conditions of rural labour in Chittoor district, and
4. To study the impact of NREGP on poverty of rural labour in Chittoor district among three revenue divisions.

ii) Hypotheses

The set hypotheses are:

1. Socio-economic conditions of rural labour in India have not improved since independence.
2. NREGP performance is not quite satisfactory in India as well as in Andhra Pradesh.
3. The socio-economic conditions of rural labour in Chittoor district are similar to that of India and Andhra Pradesh.
4. The NREGP programme did not exert positive impact on poverty of rural labour in any revenue division of Chittoor district.

iii) Sampling Design

The study has undertaken in Chittoor district during the year 2009-10. The district constitutes 3 revenue divisions viz Chittoor, Tirupati and Mandanapalli with 66 revenue mandals. Each revenue division has special features of its own relating to geography, population, irrigation etc., Thus, for selection of sample units multi-stage random sampling method is used. For the comprehensive study, 2 mandals each in all the three divisions are selected randomly: The selected mandals are: Puthalapat and Palasumadram in Chittoor division, Yerpedu and Varadiapallam in Tirupati division and Thambalapalli and Palamaner in Madanapalli division.

Further, from the six sample mandals, 3 revenue villages each are selected randomly. From each revenue village, total labour households are enlisted, 15 households each are selected randomly by using lottery method. Thus, 270
households are selected for detailed study to analyse the socio-economic conditions of rural labour as well as to analyse the different types of NREGP works undertaken and their impact on rural labour households. The details of sample selection is presented in the following table 1.1.

Table 1.1
Details of Sample Households

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the revenue division</th>
<th>Name of the sample mandal</th>
<th>Name of the sample village</th>
<th>Number of sample households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chittoor</td>
<td>Puthalapat</td>
<td>Theneppalle</td>
<td>15</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Peta Agraharm</td>
<td>15</td>
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<td></td>
<td></td>
<td></td>
<td>Oddeppalle</td>
<td>15</td>
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<td></td>
<td></td>
<td></td>
<td>Amudala</td>
<td>15</td>
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<tr>
<td></td>
<td></td>
<td>Palasamudram</td>
<td>Narasimha Puram</td>
<td>15</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Tirumalaraju puram</td>
<td>15</td>
</tr>
<tr>
<td>2</td>
<td>Tirupati</td>
<td>Yerpedu</td>
<td>Rajupalem</td>
<td>15</td>
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<td></td>
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<td></td>
<td>Isukatageli</td>
<td>15</td>
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<td></td>
<td>Anjimedu</td>
<td>15</td>
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<td></td>
<td></td>
<td>Varadaiahpalem</td>
<td>Kandur</td>
<td>15</td>
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<td></td>
<td></td>
<td></td>
<td>Kambacam</td>
<td>15</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Bathala vallam</td>
<td>15</td>
</tr>
<tr>
<td>3</td>
<td>Madanapalli</td>
<td>Thambalapalli</td>
<td>Zunjurupenta</td>
<td>15</td>
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<td></td>
<td></td>
<td></td>
<td>Kotala</td>
<td>15</td>
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<td></td>
<td></td>
<td>Kannemadugu</td>
<td>15</td>
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<tr>
<td></td>
<td></td>
<td>Palamaner</td>
<td>Baippagari palle</td>
<td>15</td>
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<td></td>
<td></td>
<td></td>
<td>Jallipeta</td>
<td>15</td>
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<td></td>
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<td></td>
<td>Nagamangalam</td>
<td>15</td>
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<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>270</td>
</tr>
</tbody>
</table>
iv) Data Collection

The present study is based on both primary and secondary data. The secondary data is collected from the relevant publications of government and non-governmental organizations, viz., Rural Labour Enquiry Report, Hand Book of Statistics, Government of Andhra Pradesh/ Chittoor district, publications of NIRD, CESS, DRDA, M.D.O's offices and published information from books, journals and internet. The primary data is collected through personal interviews from the sample rural labour households with the aid of schedule specially designed for the purpose based on 30 days recall method. Necessary care has talduring the personal interviews to ensure reliability and accuracy of the data.

v) Analysis of data

Both primary and secondary data collected are meaningfully analysed using statistical tools like viz., standard deviation, and ANOVA. In specific, to test the significance of difference in the two kinds of streams simultaneously, the analysis of variance (ANOVA) two way - classification was applied.

vi) Limitations of the Study

Due to the paucity of financial resources, time and manpower this study strictly confined to the to only 270 rural labour households in three revenue division of the Chittoor district. However, every possible effort is made to collect data and analyse carefully.

vii) Organisation of the Thesis

The thesis is organized into six chapters

The first chapter presents the statement of the problem and methodology.

In second chapter socio - economic conditions of rural labour as well as agricultural labour is analysed by using rural labour enquiry reports, population census reports etc., Further, in the second chapter various schemes implemented in India for upliftment of rural labour are reviewed and performance of NREGP is analysed in detail.
In the third chapter earlier studies on rural labour in India as well as other countries are reviewed.

A brief note on socio-economic aspects of Chittoor district is presented in addition to the status of NREGP programme implementation in the fourth chapter.

In chapter five socio-economic conditions of rural labour as well as the impact of NREGP on sample rural households in three revenue divisions based on primary data is analysed.

The sixth chapter presents summary and conclusions of the study.
REFERENCES


