CHAPTER 1

INTRODUCTION
Real India lies in rural India. India is a land of villages with nearly 5.68 lakh villages. Rural economy is the back bone of Indian economy, India lives in its village etc., are the perpetual and common slogans. The goal of rural development essentially is one which involves simultaneous development of multifarious rural economic sectors. The concept of management of rural development is so comprehensive which embraces within its fold the management of not merely personnel and human resource development but it involves financial and physical resource management, institutional arrangement, formulation and implementation of Five Year Plans and management of external assistance. The components of rural development are creation of productive means, increasing productivity of agriculture, preservation of traditional rural industries alleviation of poverty, removal of under-employment and unemployment, creation of more employment avenues thereby rising income level of the rural people. Small farmers, marginal farmers, agricultural labourers, artisans, scheduled castes (SCs) and scheduled tribes (STs) are the group of people whose economic interest is to be promoted.

The launching of the Five Year Plans for planned development of Indian economy with special emphasis on rural development synchronises with the beginning of new era for rural reconstruction and development for realisation of an economic and social order based on principles of socialism, secularism and self-reliance. Since then the
development of the rural areas has been one of the abiding concerns subsequently. Most of the poverty stricken people are concentrated in rural areas. Rural people are accustomed to beliefs, superstitions, fatalistic attitude, practices, illiteracy, ignorance etc., often reluctant to modern technology and methods of production.¹

These characteristic features for centuries have been deep rooted and, therefore, easily cannot be shaken. Government's efforts and assistance are necessary to bring them from appalling poverty and carried forward indebtedness. Government's multi-dimensional approach with multi-dimensional apparatus along with multi-agency credit system should be simultaneously diverted to bring about rehabilitation of villages. The Royal Commission on Agriculture (1911) rightly observed in it's report, "if inertia of centuries is to be overcome, it is essential that all the resources at the disposal of the state should be brought to bear on the problem of rural uplift which required steps to be taken to remove illiteracy, poverty, ignorance, dirt, diseases and general apathy and sustained effort should be made by all those departments whose activities touch the lives and surroundings of the rural population."²
Rural Population

There were 212.6 million people living in rural areas in 1901, half of them in active employment. In 2001 rural population has increased to 721.1 million. Although the ratio of rural population has declined from 89.2 percent to 71.2 percent during the century it has adversely affected the poor very hard. On the other hand the density of population has increased, land under agriculture has diminished, affected the forests and exodus to urban areas accelerated agricultural labour continued to be exploited. The gap between the rich and the poor further widened. The table 1.1 gives a clear picture of rural and urban population in India.

Table – 1.1

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Rural</th>
<th>% share</th>
<th>Urban</th>
<th>% share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901</td>
<td>238.4</td>
<td>212.6</td>
<td>89.2</td>
<td>25.8</td>
<td>10.8</td>
</tr>
<tr>
<td>1911</td>
<td>252.1</td>
<td>226.2</td>
<td>89.7</td>
<td>25.9</td>
<td>10.3</td>
</tr>
<tr>
<td>1921</td>
<td>251.3</td>
<td>223.2</td>
<td>88.8</td>
<td>28.1</td>
<td>11.2</td>
</tr>
<tr>
<td>1931</td>
<td>278.9</td>
<td>245.5</td>
<td>88.0</td>
<td>33.4</td>
<td>12.0</td>
</tr>
<tr>
<td>1941</td>
<td>318.6</td>
<td>274.5</td>
<td>86.2</td>
<td>44.1</td>
<td>13.9</td>
</tr>
<tr>
<td>1951</td>
<td>361.1</td>
<td>298.7</td>
<td>82.7</td>
<td>62.4</td>
<td>17.3</td>
</tr>
<tr>
<td>1961</td>
<td>439.2</td>
<td>360.3</td>
<td>82.0</td>
<td>78.9</td>
<td>18.0</td>
</tr>
<tr>
<td>1971</td>
<td>546.2</td>
<td>439.1</td>
<td>80.1</td>
<td>109.1</td>
<td>19.9</td>
</tr>
<tr>
<td>1981*</td>
<td>683J</td>
<td>523.8</td>
<td>76.7</td>
<td>159.5</td>
<td>23.3</td>
</tr>
<tr>
<td>1991 @</td>
<td>846.4</td>
<td>628.7</td>
<td>74.3</td>
<td>217.6</td>
<td>25.7</td>
</tr>
<tr>
<td>2001**</td>
<td>1028.7</td>
<td>721.1</td>
<td>71.2</td>
<td>291.3</td>
<td>28.8</td>
</tr>
<tr>
<td>2011***</td>
<td>1234.9</td>
<td>740.9</td>
<td>60.0</td>
<td>494.0</td>
<td>40.0</td>
</tr>
</tbody>
</table>

Source: Registrar General of India, Ministry of Home Affairs.
* Includes projected population of Assam where 1981 census was not conducted.
@ Includes projected population of J & K where 1991 census was not conducted.
** Projected 2010 urban population projected to rise to 42%.
*** Projected.
Most of the rural people are dependent on agriculture and allied activities. On the basis of land holdings possessed by a particular family, they are classified as marginal, small and big farmers. Some of them are engaged in secondary sector, where they settled as workers in small scale industries. While some others earns their livelihood through running or working in cottage industries. With regard service sector some of the rural people settled as petty traders. On the other hand few of them are artisans. The chart 1.1 gives clear picture of rural occupational structure in India.
Chart 1.1.
Occupational structure of Rural People in India

Source: Vasant Desai, Rural Development in India, p.16.
The chart 1.1 shows that the occupation of rural population can be broadly classified into three sectors namely, agriculture, industrial and service. Under agricultural sector there are two broad categories viz., agriculture and agriculture allied structure. Small, marginal and large farmers and agriculture labour comes under agriculture sector. On the other hand promotion of fishery, dairy, forestry and horticulture are the sub sectors of allied sector. The rural population who earn their livelihood by working small scale industries, cottage industries and rural industries comes under industrial sector. The service sector can be sub divided into three categories i.e. trading sector, transport operator sectors (drivers, cleaners, commission agents etc.,) and professional and technical sectors. Under trading sector the whole sale and retail traders are covered. The rural artisans like carpenter, iron smith and other repairers come under professional and technical sectors.

Rural development is an elastic concept and everyone interprets it in his own way. Rural Development as a concept is not a new one. It has received a lot of attention even much before Independence. The problem of rural reconstruction however was concretized by Mahatma Gandhi. He lays stress on the total drudgery and sub-human living conditions in the villages of India.

The term 'rural', consists of two elements, one is the living one, i.e., human beings and the other is non-living i.e; infrastructure around
them. Various scholars and institutions have tried to define rural development, giving emphasis on one or other element.

World Bank (1975) laid the exact focus of rural development when defined it as a strategy designed to improve the economic and social life of a specific group of people i.e., the rural poor.³

On the same line, it was opined by Uma Leli that “rural development is improving living standards of the mass of low income population residing in rural areas and making the process of their development self-sustaining.”⁴

The major programmes of the rural development could be grouped under five major heads viz., (1) Generation of Employment: Self and Wage. (2) Rural Infrastructure Development. (3) Area Development Programmes. (4) Programmes for Social Welfare and Social Security, and (5) Minimum Needs Programme. However, very often government’s concept of rural development is limited to anti-poverty programmes implemented by the Ministry of Rural Development. Rural Development is a broader concept and poverty alleviation programme is a major sub-set of it.⁵

The poverty alleviation and employment generation programmes in India have been re-structured and re-designed with a view to generating employment and income. ⁶ The various components of rural development can be best illustrated by the chart 1.2.
Chart 1.2

Components of Rural Development

- RURAL DEVELOPMENT
  - Agriculture
    - Development
      - Mechanisation
        - High Yielding Seeds
          - Pest Control
            - Marketing
  - Village Industries
    - Modernisation
      - Technical Training
        - Marketing
  - Education
    - Technical
      - Artisan Skills
        - Education
  - Services
    - Dispensary
      - Health Guidance
        - Family Welfare
          - Workshop
            - Banking

Source: Vasant Desai, Rural Development in India, p.49.
As per the chart 1.2 there are four important components in rural development. The four components are: agriculture, village industries, education and services. The activities relating agriculture development, agricultural mechanization (sprinkler irrigation, tractor farming, sprayers etc). High yielding variety of seeds using high yielding variety of seeds, pesticides and marketing the agriculture produced play key role in the development agriculture. Under the second component of village industries, the activities like modernization, technical training marketing are the sub-components. Under the component of education technical awareness and enhancement of artisan skills will be covered. The services available in rural areas like dispensary, health guidance, family welfare, workshop and banking etc., indicate the level of development.

Rural development has been accorded a priority by the government and rightly so. The emphasis placed on rural development is not new. Even prior to Independence, Gandhiji had succinctly pointed out the importance of developing villages, if India is to develop as a whole. No doubt, substantial efforts were made in the past to develop rural areas and yet the rural poor continue to live in abject poverty. Independence and the Five Year Plans have fetched little benefits to them and meant little change in their age-old ways of living. The major shortcoming of the efforts made to develop village was that they were piece-meal in nature and did not take into account the kaleidoscopic difficulties of rural areas varying in pattern from region to region. Rural
development is not an easy job as not only economic problems are involved but also the social and psychological issues are inter-mingled with stagnant agriculture and lack of allied activities. The caste problem is again a major issue as about 23.6% (2001 census) of the rural population (15.64 crores) comprises scheduled castes/ scheduled tribes. Consequently, inertia and indifference have taken deep roots giving rise to suspicion and the lack of urge to develop. The chart 1.3 gives a clear picture of phases of rural development.
Chart-1.3
Phases of Rural Development

Rural Development

- Agriculture
- Nutritious Food
- Improved Health
  - Education
  - Shelter
- Improved Productivity
  - Income
  - Status
  - Culture
- Increased Employment Opportunities

Source: Vasant Desai, Rural Development in India, p. 49.
The chart 1.3 shows different phases of rural development. They are interlinked. The development at one phase results in the development of other phases. As rural India in predominantly depending on agriculture, the development agriculture is the primary sources for the development other sources. The increased agriculture gives scope for the rural people to intake nutritious food. The nutritious food improves the health condition of people. The healthy people works hard and which in turn results in improvement of overall agriculture productivity. The enhanced productivity levels also enhances the employment opportunities of rural people. The improved health condition also provides wider scope for the education of children and safe dwelling. The improved productivity increases the income levels of people, which in turn improves the social status of rural people.

**Multi-faceted Problem**

The efforts made in the past to overcome rural backwardness were generally confined to single problem and single institution. If effective strategy for rural development is to formulated, rural problems will have to be studied in all its aspects comprising socio-economic and psychological issues. Only then, can package programme of rural development can be had including schemes for development of agriculture and allied activities, rural crafts, financial assistance and more important, education. It is very essential to change the present system of rural education so as to make it job oriented. More emphasis
should be placed on teaching improved agricultural practices on farms allied activities and the utility of improved tools, both in agriculture and cottage industries. Only then can the urge to improve the lot in rural areas. It will also help to develop new leadership which is so essential for rural development. In other words, rural development is a multidimensional problem requiring multi-institutional efforts combining various disciplines like education, finance, management, marketing, technology, etc.

**Aims of Rural Development**

Rural development aims at ensuring that the fruits of economic development reach the villages, and the common man. Broadly the aims are:

1. **Bridging the rural-urban divide**: To ensure rapid and time bound development, budgetary support for implementing the various rural development schemes has increased manifold in recent years.

2. **Guaranteeing wage employment and ensuring food security**: This is sought to be achieved through the Rural Landless Labour Employment Programme (RLEGP), National Rural Employment Guarantee Scheme Act (NREGS).

3. **Making rural people the arbiters of their own destiny and to provide for their economic uplift by self-employment**: For the development to be in consonance with the people's wishes and
aspirations, emphasis is put on participation of people as also social mobilization of rural poor through Self-Help Groups (SHG) and Panchayat Raj Institutions.

4. **Creating rural infrastructure for better economic opportunities and growth:** Connectivity is provided to all unconnected habitations through Pradhanmantri Gram Sadak Yojana (PMGSY). Village level infrastructure is also created through works undertaken under wage employment schemes.

5. **Ensuring dignified living:** The Union Ministry of Rural Development provides shelter, water and clean environment through schemes for rural housing, drinking water and sanitation.

6. **Restoring lost or depleted productivity of the land for better livelihood opportunities:** This is done through integrated watershed development programmes and initiating effective land in measures for providing land to the landless rural poor.

**Scope of Rural Development**

The scope of rural development is very vast. Yet, an attempt has been made here to indicate some of the broad areas of rural development which needs an integrated approach. They are,

1. Developing social consciousness of people about rural development and it lasting benefits.

2. Solving the basic needs problems by collective decision making and collective action.
3. Building up dedicated village leadership.

4. Use of science and scientific knowledge to devise appropriate technology for improving productivity at all levels.

5. Development of agriculture and allied sectors.

6. Improved water management by building tanks, small dams on the nullas and building canals etc.

7. Creating new employment opportunities by subsidiary occupations.

8. Developing cottage and village industries based on local resources.

9. Developing non-farming skills to promote and sustain service sector.

10. Developing an efficient delivery system, leading to easy supply of inputs, credit and good outlet for their products.

A Strategy for Rural Development

Rural development is a strategy designed to improve the economic and social life of a specific group of people—the rural poor. It involves extending the benefits of development to the poorest among those who seek a livelihood in the rural areas. A strategy for rural development must recognise three points. Firstly, the rate of transfer of people put of low productivity agriculture and related activities into more rewarding pursuits has been slow; and, given the relative size of the modern sector in most developing countries, it will remain slow. Secondly, the mass of the people in the rural areas of developing countries face varying degrees of poverty; their position is likely to get worse if population expands at unprecedented rates while limitations
continue to be imposed by available resources, technology, and institutions and organisations. Thirdly, rural areas have labour land and at least some capital which, if mobilised, could reduce poverty and improve the quality of life.

Rural development recognise, however, that unproved food supplies and nutrition, together with basic-services such as health and education cannot only directly improve the physical well-being and quality of life of the rural poor, but can also indirectly enhance their productivity and their ability to contribute to the national economy. It is concerned with the modernisation and monetisation of rural society and with its transition from traditional isolation to integration with the national economy.

A strategy for rural development aimed at raising growth rates and distributing the fruits of growth more fairly implies greater interaction between the modern and traditional sectors especially in the form of increased trade in farm produce and in technical inputs and services.\(^{10}\)

A programme of rural development must embrace a wide range and mix of activities, including projects to raise agriculture output, to improve health and education, to expand communications and to improve housing. The mix of activities will vary with the requirements of a region and the priorities assigned to components within a programme.
at particular times and at particular stages of development. The programme may be based on a series of sequential projects—first health, then education, then agricultural development. In some rural development programmes or projects, the focus is intended to provide a sustained increase in the rural poor in a given area. In some instances, this may require emphasis on indirectly productive operations. But, in the main, the focus is on activities which either raise income directly, or at least provide the potential to be more productive.

The Policy Framework

A strong commitment to rural development policies at the national level is required for effective implementation of the varied programmes. Rural development can be achieved once there is firm commitment. During the first three plans, the emphasis was on overall growth. In the IV Plan, however, some awareness arose regarding the very low levels of consumption of the poor, and so on. Schemes were drawn up for the development of the backward areas and the weaker sections.

Since the establishment Planning Commission in 1950, the Government of India introduced several programmes/scheme for the development of rural areas. The I Five Year Plan has given top most priority for rural and agricultural development. The Community Development Programme (CDP) introduced during I Five Year Plan is a landmark in the annals of rural development in the post-independent
era. During the II Five Year Plan the emphasis on rural development slightly decreased. The concepts of cooperative farming, local participation assumed great importance during II Five Year Plan. New technology in agriculture was introduced; production increased but did not improve the economic condition of rural people. In the III Five Year Plan, it is realized that the fast development of rural areas is possible only when the rural people becomes part of the developmental process. As such more concentration is land down on the strengthening of Panchayat Raj Institutions. In the IV Plan, removal of poverty was one of the major considerations in the formulation of development programme. A determined attack on this problem was the main theme of the development effort during the plan period. They are,

❖ Improving productivity and thereby income of the rural poor.
❖ Ensuring enlarged employment opportunities at a faster pace.
❖ Removal of unemployment and significant reduction in under employment.
❖ An appreciable rise in the standard of living of the poorest sections of the population, and
❖ Provision by the state of some of the basic needs of the people like clean drinking water elementary education, health care, rural roads, etc.
In the VI Five Year Plan more concentration is laid down on the infrastructure development of rural areas. To eradicate the rural unemployment the programmes like Integrated Rural Development Programme (IRDP), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programmes (RLEGP) were introduced. In the VII Five Year Plan further emphasis is laid down on employment opportunities to rural people. The scheme Jawahar Rozgar Yojana further improved the employment opportunities of rural masses. The VII Plan emphasized distributive justice land reforms, extended public distribution system for mass consumption goods. The IX Five Year Plan laid emphasis on the development of new infrastructure facilities in rural areas. In the X Five Year Plan the Parliament of India enacted a special legislation to provide guaranteed wage employment of 100 days in a year for rural households. In the XI Five Year Plan the Programme like Bharat Nirman is intended for comprehensive development of rural areas. Table 1.2 summarizes the policy on rural development pursued in each of the plans in India.
<table>
<thead>
<tr>
<th>S.No</th>
<th>Plan period</th>
<th>Policy Covered for Rural Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>(1951-56)</td>
<td>Community development as method and National Extension Service as the agency.</td>
</tr>
<tr>
<td>II.</td>
<td>(1956-61)</td>
<td>Co-operative Farming; participation of local people.</td>
</tr>
<tr>
<td>V.</td>
<td>(1974-79)</td>
<td>Introduces the concept of 'minimum needs' programme.</td>
</tr>
<tr>
<td>VII.</td>
<td>(1985-90)</td>
<td>Emphasis on creating new employment opportunities, special programmes for income generation through asset endowments, land reforms, participation of people at grass-roots level.</td>
</tr>
<tr>
<td>VIII.</td>
<td>(1992-97)</td>
<td>Ensuring the basic needs of the rural poor.</td>
</tr>
<tr>
<td>IX.</td>
<td>(1997-02)</td>
<td>Emphasis in creating new infrastructure in rural areas.</td>
</tr>
<tr>
<td>X.</td>
<td>(2002-07)</td>
<td>Providing new wage earning avenues to the rural poor.</td>
</tr>
</tbody>
</table>

Source: Compiled from various Planning Commission Annual Reports.
Importance of Rural Development

Rural development is necessary not only because an overwhelming majority of the population lives in villages but also because the development of rural activities is essential to accelerate the pace of overall economic development of the country. Rural development has assumed greater importance in India today than in the earlier period in the process of development of the country. There is much evidence to show that public interest in rural development is growing rapidly. Reaching the benefits of development to India's 5,75,000 villages and improving the living standards of the rural people, particularly of those living below the poverty line, have been the avowed goals of India's Five Year Plans and the 20-Point Programme. More and more effort has been directed in the successive plans to improve this rural economy. The government has initiated a number of programmes to solve the chronic problem of villages in India. Even then, the percentage of people living below the poverty line in rural areas has been steadily increasing from year to year. In any discussion of rural development there are three stages:

First Stage : the presentation of the true facts.
Second Stage: the process of reasoning, and,
Third Stage : the conclusions that can widely be drawn from the facts and reasoning.

These stages of rural development can be best illustrated by the chart 1.4.
Chart-1.4

Stages of Rural Development

First Stage → The presentation of the true facts
Second Stage → The process of reasoning
Third Stage → The conclusions that can widely be drawn from the facts and reasoning

Source: Vasant Desai, Rural Development in India, p.16.
The chart 1.4 indicates that for the development of a particular rural area, one has to make an intensive survey of the area to know the problems, difficulties, and stumbling blocks for the backwardness of the area. On the basis of identified problems, a well-drafted planning has to be prepared for the development of the area in the second stage. In the third stage, steps have to be taken for the rapid extension of the planned project and programme in the selected area with proper monitoring and evaluation techniques.

Further, rural development steers around agriculture and allied activities, rural industries and forestry, which are the mainstay of the much-needed sunshine to the rural areas. One of the important structural requirements for success of our development plans are the quality of management and a suitable organisation. The importance of matured management overrides all other factors having a bearing on accelerated economic growth. The managerial component of the task of improving the living standards of our rural poor is even more complex and far more gigantic. The key to success must surely lie in building up teams of trusted, dedicated and motivated people.

**Approaches for Rural Development**

The government has relied on two approaches to develop rural areas since independence. The first, based on the anticipation that the effect of aggregate rural growth spread to all groups in society that result
in real growth and the second that specific rural development programmes are experimented with some success. However, in last two decades the government's strategy is on its emphasis on providing the conditions for accelerated and sustained labour intensive growth, while expanding investment in human capital development. The process of development is to be integrated, sustainable and pervasive.

Plan Allocations for Rural Development in India

To ensure adequate budgetary support for sustainable development in rural areas, the allocations for rural development have been increased substantially. The budgetary outlay for rural development programme has been Rs.3,01,069 crore in the XI plan (2007-12) as against Rs.1,21,928 crore in the X plan (2002-07) Rs.74,686 crore in the IX plan (1997-2002) and Rs.34,425 crore in the VIII plan (1992-97). During III, IV and V Five Year Plans the outlay for agriculture is higher than the irrigation and rural development programmes. In the VI and VII Five Year Plan the outlay for irrigation is outnumbered other two areas. From the VIII Five Year Plan onwards the outlay for rural development programmes is higher than other two areas. The table 1.3 presents plan outlay for rural development.
### Table 1.3

Plan Outlay to Rural Development: Agriculture, Irrigation and Rural Development Programmes

<table>
<thead>
<tr>
<th>Plan</th>
<th>Period</th>
<th>Agriculture</th>
<th>Irrigation</th>
<th>Rural Development Programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>III</td>
<td>1961-66</td>
<td>1,088.9</td>
<td>666.7</td>
<td>NA</td>
</tr>
<tr>
<td>IV</td>
<td>1969-74</td>
<td>2,320.4</td>
<td>1,354.1</td>
<td>NA</td>
</tr>
<tr>
<td>V</td>
<td>1974-79</td>
<td>4,864.9</td>
<td>3,876.5</td>
<td>NA</td>
</tr>
<tr>
<td>VI</td>
<td>1980-85</td>
<td>5,695.1</td>
<td>12,160.0</td>
<td>5,363.7</td>
</tr>
<tr>
<td>VII</td>
<td>1985-90</td>
<td>12,792.6</td>
<td>16,589.9</td>
<td>15,246.0</td>
</tr>
<tr>
<td>VIII</td>
<td>1992-97</td>
<td>22,467.2</td>
<td>32,525.3</td>
<td>34,425.0</td>
</tr>
<tr>
<td>IX</td>
<td>1997-02</td>
<td>42,462.0</td>
<td>55,420.0</td>
<td>74,686.0</td>
</tr>
<tr>
<td>X</td>
<td>2002-07</td>
<td>58,933.0</td>
<td>1,03,315.0</td>
<td>1,21,928.0</td>
</tr>
<tr>
<td>XI</td>
<td>2007-12*</td>
<td>1,36,381.0</td>
<td>2,10,326.0</td>
<td>3,01,069.0</td>
</tr>
</tbody>
</table>


* Estimated Figures.

In the last few years, there has also been a paradigm shift in the strategy for rural development with focus on decentralization through speedy and effective devolution of financial and administrative powers to the panchayati raj institutions. A strategic pro poor policy in terms of which the rural poor are treated as a resource rather than as a burden, whose ideas and experience are now an integral part of the development strategy. As such, the emphasis has shifted towards participation of people through Panchayati Raj Institutions (PRIs) and Self Help Groups (SHGs) in the planning, formulation and execution of the programmes.
Agencies for Rural Development

There is no dearth of agencies for rural development. At present, one could list out 45 agencies/institutions including 9 international organisations, which have been actively working for the rural development in India. The list is incomplete. Among these, co-operatives, commercial banks, regional rural banks have been working at the grass-root level. Under the multi-agency approach, the commercial banks, re-organised primary agricultural co-operatives are functioning in rural India. In the present context, it is expected that the banking system would be an instrument for bringing about socio-economic change/revolution in rural India through (i) reducing regional and sectoral imbalances; (ii) promoting growth and distributing justice and (iii) harnessing science and technology for improving the productivity of rural assets-land, labour, livestock, water, forests, grassland, etc., and neutralising the liabilities of poverty, unemployment indebtedness, etc. All these call for crystallizing the role of specialised branches/units set up by banks.13

Besides, the financial and other agencies play a catalytic role in rural development. This apart, the corporate sector and the voluntary agencies have also engaged themselves in the task of rural development. In addition, a number of scientific and technical organisation like research stations of the Indian Council for Agriculture
Research (ICAR), Agriculture Universities, Regional Research Laboratories, Krishi Vigyan Kendras, Community Polytechnic, Indian Institutes of Science and Technology etc, are located in various parts of the country. Mobilisation of resources and its development in agricultural, non-farm activities, rural artists, cottage industries, and integrated rural development is a continuous process.

Review of Literature

Review of literature is the most important aspect in any research work. It is a measure stating the recent output on a particular area of research and organized in a helpful sequence to strengthen the present research techniques. The main objective of the review of literature is to understand the research activities that have taken place in a particular discipline in general and in the area of research in particular.

Jyotsna Bapat (1996) in his case study on "Towards A Successful Resettlement Strategy: A Case Study" reviewed 'Dhom Composite Dam' after 20 years completion of the resettlement project. This project is evaluated using quantitative criteria indicating quality of life of the resettled people. The information on these indicators is collected through empirical field research. In recent years the interrelation between environment and development has resulted in re-examination of the effectiveness of large dams. One of the main issues is the resettlement of uprooted people. This issue was largely ignored in
the colonial times. The economic benefits from irrigation are an argument in favour of large dam construction. The anti-dam lobbyists argue that the people uprooted by the large dams are always and invariably marginalized. The responsibility for the misery of the uprooted is attributed to the states incapacity to compensate the affected people adequately. The moderates in the debate state that the compensation package offered to (the dam affected people should include the benefits derived by them from their social linkages, common property resources are not accounted for. But valuation of these non-pecuniary, non-quantitative benefits poses a whole new set of problems.

K.Hanumantha Rao and N.Raghunatha Reddy (1996) in their article entitled, "Rural Development in Andhra Pradesh an Historical Perspective" traces the major initiatives undertaken by the Government of Andhra Pradesh during 1956-90 for rural transformation. The impact of these efforts has been examined by them in terms of some selected key indicators. Some of the emerging issues in the context of rural transformation have been highlighted which need some policy prescription. They studied the perspectives of rural development have been studied in terms of: (i) The broad strategies of rural development and their impact. (ii) The changing population profiles. (iii) The potentials and constraints of agriculture and food security system. (iv) Social development scenario with special reference to health and education. (v)
The incidence, nature and causes of the major developmental issues viz., poverty and unemployment. Critical examination of the above perspectives helped in identifying some of the critical issues of concern which need the attention of all development professionals including policy makers to expedite the rural transformation on a sustainable basis. A number of evaluation studies and secondary data have been made use of in this exercise. It has been argued that to achieve the goal of well-being of all, there is a need to provide an incentive framework for channelising the flow of funds from private sector towards the social and economic sectors which will have a bearing on sustainable development and also on eradication of poverty and unemployment. The need for investing in human capital, more so in respect of poor has been highlighted to minimise the suffering during the transition period of the New Economic Policy Regime.

Jayalakshmi and C.A. Rahim (1996)¹⁶ "Organisational Effectiveness and Participatory Management", attempts to focus on the existing gaps between governmental purpose and administrative performance at the cutting-edge level i.e. interaction between the clientele/citizens and the lower level functionaries. The key concern is to analyze the qualitative dimension i.e. public satisfaction vis-à-vis rural development programmes in a democratic set-up. A sizeable literature on development administration states that the attitudes, procedures and methods of work at the cutting-edge level are not
conducive to efficiency and public satisfaction. In this connection, the perceptions of the beneficiaries on the poverty alleviation programmes and the functionaries' view point on 'Accountability and Responsiveness' were elicited with a structured questionnaire supplemented by informal discussions. It can be inferred from their study that the existing gaps need to be plugged by certain remedial measures in the organizational structure, methods, procedures, employee and citizen satisfaction. At this juncture, it is felt that the role of NGOs/VOs (Non-Governmental Organisations or Voluntary Organisations) can be accelerated in the field of rural development as some of them have been able to achieve fairly good results as facilitators/catalysts in organising and motivating the rural poor to articulate their needs. Such efforts are having a demonstration effect yielding good results across the country.

O.P. Dwivedi and K.M. Henderson (1996) in his scholarly article entitled, "Development Alternatives: Alternative Administration" discussed various models of rural development like Human Needs Centred Development (HNCD) model, Sustainable Development model, Liberal Capitalist Democratic Model(LCDM), Communist model of Development (CMD), Sarvodaya model etc. The theory of HNCD is based on the need to create new conditions of conceptualizing development. These conditions, including such concepts as a new international economic order, are not relevant if not supported by
network of new local economic orders. In fact, it has been demonstrated that present social and economic theories are incomplete and inadequate. Governments, policies, development, and administration should be geared towards meeting human needs. The HNCD recognizes that economic, political, social and moral factors cannot be separated. Sustainable development is a second alternative development model. It has been widely discussed as an ideal with much attention to its practical application. This model is based on long-term thinking and conservation of nature's finite resources. In several countries, the existing political organisations still view the environment as a resource to be used and exploited for private gain. In the past, many development theories ignored the impact of degradation of the environment in the future. Liberal capitalist democratic model uses the concept democracy as its corner stone. The Communist model of development was based on Marx's theory of classless society.

K. Prathap Reddy and R.K. Samanta(1997)\(^\text{18}\) in their essay on "Anatomy of IRD Programme of India" opines that the Integrated Rural Development Programme (IRDP) which has been the outcome of a historical evolution in the field of rural development plan process is being implemented to bring the rural poor above the poverty line as well as general economic welfare of rural areas. It is being implemented through a highly differentiated, loosely coupled organizational structure. But much more is desired to make the programme to deliver the goods.
K.B. Das (1998)\textsuperscript{19} in his paper entitled, "Rural Development in a Decentralized Framework—An Analytical Exercise" makes a theoretical synthesis between multi-objective and multi-level planning in a decentralized framework. He gives a brief introduction to multi-objective programming and multi-level planning and highlights the coordination problems. He says that the integrated planning strategies for a system divided into a set of sub-systems require methods of resolution of goal conflict or interest conflict emerging from the interaction among the components of the system. Hence, a decentralized system of decision-making should guarantee allocation of resources which must ensure a meaningful compromise among the various policies of the different spatial segments.

P.K. Bajpai, (1998)\textsuperscript{20} in his article on "People's Participation in Development – A Critical Analysis" highly critical of the present model of people's participation in development in India, the author points to emergence of some dangerous trends in our political system rooted therein. With this background, he discusses the realities of people's participation in major rural development programmes to assert elusiveness of people's participation that was visualized behind it. He then gives a critical commentary on the subject, identifying significant factors responsible therefore. Before summing up the discussion, he gives a 7-point package which possibly could ensure real people's participation in development in India.
D.K. Giri (2001)\textsuperscript{21} in his paper on "Defining Technology for Rural Development for the 21\textsuperscript{st} Century" says that the supply of right kind of technology to different segments of society particularly those living in vast rural areas is critical for mitigating the inequities and promote growth. Any technology strategy should concentrate on preserving the rural biodiversity and any technology prescription should in principle be pro-poor, pro-nature and pro-employment. Rural India can net be a market for technologies propelled by forces and markets elsewhere. A technology aiming at production by masses, generation of employment, simpler handling of tools is relevant for rural India. Development of technologies which contribute to improvement in farming, food, transport, energy will be imperative for rural development.

C.J. Johny (2001)\textsuperscript{22} in his paper entitled, "People's Participation and Technology Adoption" opines that in the process of initiating technology transfer/adoption programmes for the poor sections of the population, it is often, and wrongly assumed that the choice of technology has already been made, such technologies are readily available, merely requiring an effective mechanism to "deliver" them. Decades of developmental experience has shown that the major constraints have not been merely a defective or weak delivery system, but inappropriate or otherwise unsuitable technologies developed have themselves inhibited their adoption and transfer in rural areas.
Therefore, he considered that it is necessary to develop appropriate technologies coupled with sound delivery system for all initiatives leading to adoption of technologies for rural areas.

Vivek Saurath (2001) in his voluminous work entitled, "Dynamics of Rural Development" considered that over the period of last three decades of planned development; significant changes have taken place in the administrative setup at the district level and below. It was the 'Grow More Food' enquiry committee which stressed the need for an integrated organizational structure for rural development and recommended the establishment of a Development Block over 100-120 villages under the charge of a Block Development Officer (BDO), assisted by technical officers in disciplines such as agriculture, animal husbandry, cooperation and engineering and village level workers @ one for 5-10 villages. Recommendations were made by that Committee for an integrated structure at the district level under the collector and at the state level under a Development Commissioner, to be supervised and advised by a Cabinet Committee headed by the Chief Minister.

Chandra Dutt (2004) in his paper on, "Appropriate Technology for Rural Development: An Overall Perspective" attempts to examine the question of technology and its impact on the livelihood of people in rural areas and to explore the possibility of developing People Friendly Technology by blending traditional knowledge and modern technology.
According to the author the thrust should be on developing appropriate technologies that suit to the local culture, materials and skills and this is possible by enabling the rural artisans and craftsmen to interact with the experts in respective fields. He feels that by opting for decentralized people's technology mode for production we can greatly reduce the need for large imports. It will also stimulate growth by redistributing income through broad-based employment generation and application of people's technologies.

N.Mukundan (2004) in his article entitled, "Environment, People's Participation and Sustainable Rural Development" says that the sustainable rural development hints at the rational use of scarce resources with the support of people and economic policies adopting strategic environmental management practices. Hence, a multifarious strategy needs to be formulated to solve the rural problems through development process and to protect the environment through community participation. He further says that the environmental Quality is an integral part of development. Without environmental ethics development is simply undermined. Natural resources are the wealth of nation, stocked in free and better environment.

R.B.Jain (2004) in his article on "Good Governance for Sustainable Development: Challenges and Strategies in India" says that the Improving the quality of governance for sustainable
development has emerged as the most crucial concern among developing nations. In order to present a comprehensive, overview on the issue, he examines the prevalent methods and models of reforms to usher in development through good governance. Challenges of changing world order and globalization have had their impact on the sustainability of development. India's experiences in governance and administrative development are a mix of success stories and pathetic experiences. The development approach in India's Five Year Plans has gradually shifted to developmental issues in terms of services, infrastructure and human well-being. Yet it is only the citizen-oriented paradigm of good governance that holds promise for all-pervasive development aimed at ending economic, social and regional disparities.

Debidas Nanda (2005) in his paper entitled, "Peoples' Participation in Administration: A Conceptual Framework" examines various models of peoples' participation in development process where people are deemed to be the target group in the society. The author says that the peoples' participation in development represents a process by which goals are set and means are chosen in relation to all sorts of developmental issues. The assumption is that, through participation, the goals of the society are set in a way so as to maximize the distribution of benefits in the society to match the needs and desires of the people.
S. Mishra (2006) in his article entitled, "Administering a District in India: Reviewing Collector's Institution" points that the role and responsibilities of the office of District Collector (DC) have undergone considerable change since the Independence. From enforcement of law and order, and collection of revenue for his administrative unit the office has grown as an important arm for implementing national and state policies on welfare and planned development. Being the chief executive at the district, his status is like a mini-government—all in one at the district level. The enhancement of responsibilities and span of functions over the years has also witnessed a substantial deterioration in the institution of District Collector. Politicization of administration, corruption and political interference has largely contributed in bringing disrepute to once famed and sacrosanct office. Sincere efforts are called for from all concerned to restore moral authority and inviolability of this important institution.

Dhurjati Mukherjee (2007) in his article entitled, "India's Rural Scenario: Development Priorities and Social Action" opines that the happiest societies are those, which have shown to be the most equal ones while unemployment and ill health are two factors that contribute immensely to misery and unhappiness. There should be an endeavour to at least check the widening gulf between sections of the population through the Gandhian approach of development. He further says that in today's world there is lot of confusion about what we mean by real
development. Moreover perception of development may not be the same for the rich countries of the North compared to that of the developing but poor countries of the South. The strategy for achieving development, therefore, also has to vary because the objective conditions in these two parts of the globe are vastly different.

M. Selvakumar & R. Sundar (2007) in their essay on "Swarnjayanti Gram Swarozgar Yujana (SGSY) - Tool for Poverty Eradication" says that the objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the poverty line by providing them income-generating assets through a mix of bank credit and governmental subsidy. Swarnjayanti Gram Swarozgar Yojana aims at establishing a large number of micro-enterprises in the rural areas, building upon the potential of the rural poor.

S. Harsha (2007) in his essay on "Changing Face of Rural India: Status of District Planning Committees in India: Experience of A Decade" says that the 73rd and 74th Constitutional Amendment Acts have ushered in participatory kind of governance and planning involving people and their representatives. The District Planning Committee (DPC) is a pivot which facilitates this participatory governance and planning. He seeks to analyze the status of DPCs with reference to some major States and Union Territories in India based on the reports of Working groups and other secondary sources. He also made some
suggestions on remedial measures for the efficacious functioning of DPCs.

A.K.Nongkynrih (2008)\textsuperscript{32} in his paper entitled, "Who Decides? Who Implements? Political Structure, Governance and Rural Development in Meghalaya, India" says that the rural Development is one of the major objectives of India's planning and development. Since 1950 the central government has formulated various rural development programmes or schemes and state governments implement them. The paper explores, whether or not the political structure and governance is serious or competent enough to promote rural development. The paper examines this question on field-based interactions in the Khasi and Jaintia Hill Districts, and consulting secondary materials. The paper demonstrates that the political structure governance for rural development is centralized, and controlled by elected representatives and the bureaucracy. The outcome shows that rural development is not taking off, as it should; instead, it is benefiting only a few people at the expense of the rural poor; and the causal factor is the existing political structure and governance.

Raymond.E. Matiki (2008)\textsuperscript{33} in his paper on "A new Rural Development Strategy for Rapid and Sustainable Development in Developing Countries" opines that the rural development programmes in the developing countries have many pitfalls that hinder the
achievement of intended results. The pitfalls stem from the false dichotomy that separates the rural sector from the national sector of the economy. While national plans allocated resources for national development, rural planning does the same to rural development. Since integrated rural development aims at duplicating the national sectors of the economy in the rural sector, parallel ministries are thus set up in the two sectors. Since decision making is the preserve of the power group that resides in the rapidly growing capital cities of these countries, more funds are allocated to the national sector than rural development. The little that is allocated to rural development is usually diverted into urban base development activities. Although rural development is designed to benefit the rural poor, low producer prices turn the benefits to the urban elites. The duplication of development activities with conflicts, and the interest of the urban elites against rural development, constitutes insurmountable obstacles to rural development. The paper examines the cause of these conflicts and formulates a new rural development model that can overcome these problems for rapid and sustainable development in the developing countries.

T.M. Joseph and Jos Chathukulam (2008)³⁴ in their paper on “Good Governance and Rural Development: A Case from Kerala” says that with the advent of the new economic order, it is being increasingly realized that the State of Kerala, though still dominated by the leftist ideology, cannot withstand the global current towards economic
integration. As a result, he says, the government has started receding to
the background from many of its traditional areas of operation and the
non-governmental organisations, community based groups and
multinational development agencies have stepped in to fill that void. The
paper examined what kind of synergy and harmony is achieved among
these multiple players. It also looks into the impact this new paradigm
shift has created in solving the problems of the rural people. The paper
concludes by providing some suggestions for making these multiple
players to become more active and accountable.

Assessment of Sarhad Rural support Programme (SRSP) Participatory
Approach For Rural Development: A Case Of Charsadda District,
Pakistan" discusses the Participatory approach in development projects
in the North-West Frontier Province (NWFP) of Pakistan is an integral
component for community mobilization and rural development but its
effective implementation is still remained a challenge. This study
critically evaluates the extent and quality of participatory approach of
Sarhad Rural support Programme (SRSP) and its effectiveness on
community mobilization for development in the Charsadda district of
NWFP. The participatory approach of SRSP, which is the basic strategy
for community mobilization, is analyzed in the light of research
questions such as to what extent people have been participating in the
project's activities, to what extent the project's benefits have been
utilized efficiently by local people, to what extent the project built the
capacity of Community Organizations (COs) and individuals, to what extent the project's activities are sustainable, what are the hindrances and constrains in the way of SRSP's participatory project and what are its policy implications. The major findings are that the extent and quality of people's participation was good by involving all kind of people in all phases of project cycle. However, the effectiveness of project activities was not to the desired level. Sustainability of community organizations and activities remained a question due to institutional and financial problems. Therefore, he suggests that special attention is required for changes at policy level in the participatory approach of SRSP.

It is evident from the above review of literature that quite a good number of studies have concentrated on various facets of rural. These studies made a bird's eye view of the rural development programmes at national level by taking two or more states as sample. Some of the studies focused on the people's participation level in the implementation of these programmes. While some of the studies remarked on the pros and cons of these programmes. But no body has studied on the administrative aspects of rural development programmes. Further no study was undertaken to assess the role of District Rural Development Agencies (DRDA). Hence, the present study is an attempt to study on administrative and functional aspects of DRDA and its programmes in Anantapur district which is the prime agency of rural development at district level.
Statement of the Problem

Soon after independence, the union and state governments focused concentration on rural development. The First Five Year Plans has given top most priority for rural development. The central and state government introduced various rural development programmes and allotted billions of rupees for their implementation. For the implementation of these rural development programmes, several new organisations were established at various levels. One of such agency formed at district level is District Rural Development Agency. It actually created for the implementation of IRDP programme. It becomes prime agency for the implementation of all rural development programmes. The success or failure of particular programme largely depends on DRDAs, which monitor the programmes at district level. Hence the present study entitled, “Organisation and Working of DRDA and it’s role in implementation of Rural Development Programmes in Anantapur District of AP” makes an humble attempt to critically evaluate the organisation and functioning of DRDAs.

Objectives of the Study

The specific objectives of the study are as follows:

1. To study various facets of rural development.

2. To discuss the role of Central, State and District Administration in the implementation of the rural development programmes.
3. To analyse the organisation and functioning of the District Rural Development Agencies.

4. To examine the rural development programme implementation by the DRDA in Anantapur district.

5. To evaluate the performance of the Anantapur DRDA through beneficiary perceptions, and

6. To suggest various measures for the strengthening of District Rural Development Agencies.

**Significance of the Study**

Unemployment and poverty are interrelated and hinder to economic growth of the country. In India, these are the two problems that are severe in rural areas. The effective implementation of the various schemes by DRDA since it’s establishment is bringing satisfactory results in reaching the challenges of poverty, unemployment and building rural infrastructure. The study will undoubtedly contribute for the improvement of the performance, which has social, political and economic relevance in the country today. Hence, present study on DRDA administration and it’s role in programme implementation is of paramount importance.
Need for the Study

The conditions of rural people especially agricultural labourers, small and marginal farmers, are quite deplorable, especially in the areas which are subject to frequent famines. Large number of small and marginal farmers in these areas is sacrificing themselves due to failure of crops. On the other hand, agricultural labourers are migrating to nearest towns for works, where they are leading a miserable life. Keeping in view of all these factors, policy makers in India introduced various rural development programmes.

Methodology

The methodological aspects of the study such as the area of the research study, the universe of the sample, sources of data, analysis of data and the plan of the study have been detailed hereunder:

Sources of data

The data of the thesis is based on both primary and secondary sources. The primary sources material relates to the field survey conducted through interview schedule from sample beneficiaries who are beneficiaries of DRDA and eliciting their opinions on various aspects of the DRDA in Anantapur District. Informal discussions were also made with the administrative officials who are linked with the implementation of various rural development programmes, on the practical problems being faced while implementing the programmes.

As it is always not safe to take the published data at their face value, the data is analyzed carefully to make use of material that is suitable and adequate for in this context of the present problem. The reliability of the data is suitably examined. After the collection of data from the above mentioned source, the researcher analyzed and interpreted data and organized into various chapters.

Area of the study

The DRDA is functioning in Anantapur District of Andhra Pradesh since 1979. The implementation of various rural development programmes is shouldered on the DRDA in the district. The district is the driest part of the state, where the rainfall is recorded below district normal. The dry condition of the district often results in the loss of crops, which in turn forces the agricultural labour as well as small and marginal farmers to depend on rural development programmes of central and state governments. Under these dire conditions, the rural development programmes is considered by the rural masses as a boon.
for their livelihood. As such, the district was purposely selected for the study to examine the pros and cons of the new wage employment programme.

**Sampling Design**

The DRDA programmes have been extended to all sections of the society irrespective of rural families' economic, social and political status. All the revenue villages, hamlets in the district are covered by the schemes of DRDA. For effective study of the impact of the DRDA programmes on beneficiaries, purposeful random sampling method was followed. For the collection of respondents' views and ideas on the impact of the DRDA programmes, one Mandal from each revenue division is selected by taking into account the financial, caste, demographic factors of the beneficiaries. From each selected Mandal 100 beneficiaries were selected by random sampling technique. So the universe of the sample constitutes 300. Table 1.1 gives the details of sampling.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Name of the Revenue Division</th>
<th>Name of the Mandal</th>
<th>No. of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Anantapur</td>
<td>Vajrakarur</td>
<td>100</td>
</tr>
<tr>
<td>2.</td>
<td>Dharmavaram</td>
<td>C.K.Palli</td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Penukonda</td>
<td>Tanakal</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>300</strong></td>
</tr>
</tbody>
</table>
Tools of Analysis

The study is descriptive and analytical in nature. Therefore, the collected data has been presented in the form of tables, charts and appropriate graphs for analytical purpose.

Chapter Scheme

The thesis is organized into seven chapters.

Chapter-I : Introduction

It contains a brief introduction of rural development and theoretical frame work of the study.

Chapter-II : Rural Development Administration and Programmes

It discusses various central, state, district level agencies of rural development.

Chapter-III : Historical Background of DRDAs in India and Andhra Pradesh

It elucidates the origin, development and functioning of DRDAs in India as well as the state.

Chapter-IV : Profile of Anantapur District

It contains a brief socio-economic profile of Anantapur district with special reference to DRDA.
Chapter-V : Organisation and Working of DRDA in Anantapur District

It makes a elaborate note on the structure, staffing pattern and functioning of DRDA and its role in the implementation of rural development programmes in Anantapur district.

Chapter-VI : Perceptions of Sample Beneficiaries

It analyses the perceptions sample beneficiaries as well as the opinions of officials and nonOfficials.

Chapter-VII : Summary and Conclusion

It summarizes the study and makes some of the recommendations for effective functioning of DRDAs.
References


4. Ibid, p.3.


