Chapter 3 – Poverty Alleviation Programmes in India, since Independence –

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Chapter 3 – Poverty Alleviation Programmes in India, since Independence –

3.1 Broad Strategies

3.1.1 Since Independence, a number of programmes have been implemented with the intention of alleviating or eradicating poverty and also to develop the rural areas. In the early years after Independence, the view shared by most of the policy makers was that if rapid and substantial development was ensured, the fruits of development would automatically reach all sections of society, including the poor. This was the famous trickle-down approach, which was, in a sense, the ruling paradigm of those times.

3.1.2 Successive Governments have relied on two major approaches to reducing poverty since Independence. These are –

(i) The first approach was based on the anticipation that the effects of the aggregate rural growth would spread to all groups in society such that poverty reduction in achieved side by side with increases in economic growth.

(ii) The second approach was based on the knowledge gained out of the experience of the first approach that aggregate economic growth would not really help the poor. Hence, this approach mandated that specific anti-poverty programmes be implemented where only the poor would be targeted as beneficiaries.
3.1.3 The reliance placed on the two strategies has varied from time to time. In a general sense, the slow reduction in poverty during the 1950s and 1960s confirmed the widespread feeling that the trickle-down theory would not work in the Indian context.

3.2 Programmes and Approaches in the early Plans -

3.2.1 The First Five Year Plan had set out the following strategies to be adopted for rural development and poverty alleviation –

3.2.2 Community Development was to be the method and Rural Extension the agency to initiate a process of transformation of the social and economic life of the villages.

3.2.3 For some three decades rural development work had been undertaken by different branches of the administration in the States. Until a few years ago, the expenditure on development was meagre and rural development work was thought of largely in terms of particular items of improvement in village life and in agricultural practice, and special attention was given, for instance, to the number of wells sunk or repaired, for the supply of irrigation or drinking water, the supply of seeds or fertilisers, or the number of manure pits dug, starting of rural credit societies etc. These are essential items in any rural programme, but there was no coordinated approach to village life as a whole.
3.2.4 If one goes back to the study of the efforts made before World War II in individual Provinces and States and considers, the experience gained in later years, certain broad conclusions emerge. These are:

i. When different departments of the Government approach the villager, each from the aspect of its own work, the effect on the villager is apt to be confusing and no permanent impression is created. The peasant's life is not cut into segments in the way the Government's activities are apt to be; the approach to the villager has, therefore, to be a coordinated one and has to comprehend his whole life. Such an approach was to be made, not through a multiplicity of departmental officials, but through an agent common at least to the principal departments engaged in rural work, whom it is now customary to describe as the village level worker.

ii. Programmes which have been built on the cooperation of the people have more chances of abiding success than those which are forced down on them.

iii. While the official machinery had to guide and assist, the principal responsibility for improving their own condition must rest with the people themselves. Unless they feel that a programme is theirs and value it as a practical contribution to their own welfare, no substantial results will be gained.

iv. Programmes largely dependent on expenditure by the Government, in which the elements of self-help and mutual cooperation on the part of villagers are present only in a nominal degree are shortlived. The
essential idea was to be the reduction of chronic unemployment which is a feature of rural life—through the practice of scientific agriculture and cottage and small-scale industries.

v. Advice and precept are of no avail unless they are backed by practical aids—supplies of seed and fertiliser, finance and technical guidance for solving the farmer's immediate problems.

vi. Whatever the measures of the effort which the Government wished to make, the best results will be gained if the programmes were pursued intensively, and practically every agriculturist family has its own contribution to make through a village organisation.

vii. The approach to the villager would be in terms of his own experience and problems, conceived on the pattern of simplicity, avoiding elaborate techniques and equipment until he is ready for them.

viii. There was a need for a dominant purpose round which the enthusiasm of the people could be aroused and sustained, a purpose which can draw forth from the people and those who assist them on behalf of the Government the will to work as well as a sense of urgency. The aim was be to create in the rural population a burning desire for a higher standard of living—a will to live better.

3.2.5 These lessons from the experience of the past were brought together in the conception and concrete formulation of the community development programme, which was launched during 1952. While the concept is not a new one, progress in the past was hampered by insufficiency of available
funds.

3.2.6 For each community project, as at present planned, there was a compact block of approximately 300 villages with a total area of about 450 to 500 square miles, a cultivated area of about 150,000 acres and a population of about 200,000. The project area was conceived as being divided into 3 Development Blocks, each consisting of about 100 villages and a population of about 70,000. The Development Block was, in turn, divided into groups of 5 villages each, each group being the field of operation for a village level worker.

3.2.7 The initial programme was started with approximately 55 Projects of rural development located in select areas in the several States of India. A certain degree of flexibility was allowed in the actual allotment of projects. Thus, while many were complete projects of about 300 villages each, some are also independent development blocks of about 100 villages each, depending upon the needs and conditions of the particular areas chosen for development.

3.2.8 As increased agricultural production was the most urgent objective, one of the basic criteria in the selection of this first set of Project areas has been the existence of irrigation facilities or assured rainfall. In assessing irrigation facilities and the possibilities of development, irrigation from river valley projects, from tubewells, as well as from minor irrigation works, were
taken into account. In States like West Bengal and Punjab, with a large population of displaced persons, the selection of project areas also aimed at helping the resettlement of these persons. Seven areas were been selected on the ground of the being inhabited predominantly by scheduled tribes. In every field of activity, whether social or economic, urban and rural development are complementary, for, neither towns nor villages can advance alone. Where existing urban facilities are inadequate or where large numbers of displaced persons have to be rehabilitated, urban development should take the form of new townships.

3.2.9 Under such rural-urban development, new towns would come into existence to serve as centres and draw sustenance from the surrounding countryside and, in return, carry to it new amenities and the spirit of a developing and changing economy. The creation of new centres of small-scale industrial production, closely coordinated with rural development, was fundamental to national development, for in no other way can the present occupational imbalance between agriculture and industry, between village and town, be corrected. With the development of power resources and of communications and the growth of basic industries, the scope for establishing such centres would steadily increase and, as the economy develops, this programme will gain in importance. During the first few years, however, it was inevitable that by far the greatest stress in community development, as indeed in national planning, should be on rural areas. The intensive development of agriculture, the extension of irrigation, rural electrification and the revival of village industries, wherever possible, with the help of improved techniques, accompanied by land reform and a
revitalised cooperative movement, were seen as programmes closely related to one another, and together calculated to change the face of the rural economy.

3.2.10 The main lines of activity which were to be undertaken in a community project, could be briefly divided into the following - Agriculture and related matters, Irrigation, Communications, Education, Health, Supplementary employment, Housing, Training, and Social Welfare.

3.2.11 The programme in the agriculture sector included reclamation of available virgin and waste land; provision of commercial fertilizers and improved seeds; the promotion of fruit and vegetable cultivation, of improved agricultural technique and land utilisation; supply of technical information, improved agricultural implements, improved marketing and credit facilities, provision of soil surveys and prevention of soil erosion, encouragement of the use of natural and compost manures and improvement of livestock, the principal emphasis here being on the establishment of key villages for breeding pedigree stock and the provision of veterinary aid, as well as artificial insemination centres. For attaining this objective, agricultural extension service was to be provided at the rate of one agricultural extension worker for every 5 villages.

3.2.12 One of the important functions of the agricultural extension worker was to encourage the growth of a healthy cooperative movement. The aim
was to see that there was at least one multi-purpose society in every village or group of villages on which practically every agriculturist family is represented.

3.2.13 It was expected that the cooperative principle, in its infinitely varying forms, would be capable of adaptation for finding a solution to all problems of rural life. Multi-purpose societies were therefore to be used for practically every development activity in the community project area, including the encouragement of rural arts and crafts.

3.2.14 The programme visualised provision of water for agriculture through minor irrigation works, e.g., tanks, canals, surface wells, tubewells, etc., so that at least half of the agricultural land, if possible, were served with irrigation facilities.

3.2.15 The road system on the country side, which was woefully inadequate, was to be so developed as to link every village within the project area upto a maximum distance of half a mile from the village, the latter distance being connected by feeder roads through voluntary labour of the villagers themselves. Only the main roads were to be provided for and maintained by the State or other public agencies.

3.2.16 It was realised that the full development of a community cannot be
achieved without a strong educational base, alike for men and women. The community projects had a provision for social education, expansion and improvement of primary and secondary education and its gradual conversion to basic type, provision of educational facilities for working children and promotion of youth welfare. Vocational and technical training was to be emphasised in all the stages of the educational programme. Training facilities were to be provided for imparting improved techniques to existing artisans and technicians, both in urban and rural areas. Training centres which already existed in any area, were to be strengthened and developed, and new ones established to meet the requirements of the project area.

3.2.17 The Health Organisation of the Project area was expected to consist of 3 primary health units in the Development Blocks and a secondary health unit equipped with a hospital and a mobile dispensary at the headquarters of the Project area and serving the area as a whole. It would aim at the improvement of environmental hygiene, including provision and protection of water supply; proper disposal of human and animal wastes; control of epidemic diseases such as Malaria, Cholera, Small-pox, Tuberculosis, etc. Provision of medical aid along with appropriate preventive measures, and education of the population in hygienic living and in improved nutrition were to be other important objectives of this sector.

3.2.18 The unemployed and the under-employed persons in the village community were to be provided with gainful employment to such extent as was possible, by the development of cottage and small-scale industries,
construction of brick kilns and saw mills and encouragement of employment through participation in the tertiary sector of the economy.

3.2.19 Apart from the provision of housing for community project personnel, steps were to be taken to provide demonstration and training in improved techniques and designs for rural housing. In congested villages, action in the direction of development of new sites, opening of village parks and playgrounds and assistance in the supply of building materials, was also necessary.

3.2.20 The training of village level workers, project supervisors and other personnel for the Community Development Programme was to be carried out in a number of training centres. Each training centre was to have facilities for a certain number of trainees. Each centre was to have double training staff so that the trainees could be divided into two groups - one group to get practical and supervisory work experience, while the other group to utilise the centres' facilities for lectures, demonstrations and discussions. In view of the great demand on the training centres to turn out people quickly for the opening of new projects, the training period was limited to six months. In addition to the training of village level workers and supervisors, the agricultural extension service workers in the Project areas were also to take steps for the training of the agriculturists, panches and village leaders.

3.2.21 There was provision for audio-visual aid for instruction and
recreation, for organizing community entertainment, sports activities and Melas.

3.2.22 The organizational set-up was to be as follows –

a) Centre—For the implementation of the Community Development Programme as indicated above, the Central Organisation consisted of a Central Committee (the Planning Commission) to lay down the broad policies and provide general supervision, and an Administrator of Community Projects under the Central Committee. The Administrator was responsible for planning, directing and co-ordinating the Community Projects throughout India under the general supervision of the Central Committee and in consultation with appropriate authorities in the various States. He was assisted by a highly qualified executive staff to advise him on administration, finance, personnel, community planning and other matters.

b) State—At the State level, there was be a State Development Committee or a similar body consisting of the Chief Minister and such other Ministers as he may consider necessary. There was also a State Development Commissioner or a similar official who will act as the Secretary to the State Development Committee and was responsible for directing community projects in the State. Where the work justified it, there could also be a Deputy Development Commissioner specifically in charge of community projects.

c) District—At the District level, there was a District Development Officer responsible for the Community Development Programme in the district.
This officer had the status of an Additional Collector and operated under the directions of the Development Commissioner. He was advised by a District Development Board consisting of the officers of the various departments concerned with Community Development, with the Collector as Chairman and the District Development Officer as Executive Secretary.

d) Project—At the Project level, each individual project unit (consisting of a full project or one or more Development Blocks) was in charge of a Project Executive Officer. In the selection of Project Executive Officers, special regard was to be paid to experience, general outlook, understanding of the needs and methods of Community Development, capacity for leadership and ability to secure both official and non-official co-operation. Each Project Executive Officer in charge of a full project, had on his staff approximately 125 supervisors and village level workers, who were responsible for the successful operation of all activities at the Project Level.

3.2.23 This organisational pattern was to be adapted to suit local conditions and needs as may be deemed necessary by the Administrator and the respective State Governments. Great stress was laid on the importance of ensuring people's participation, not merely in the execution of the Community Development Project but also in its planning. This was in fact the very essence of the programme.

3.2.24 The Community Development Programme aimed at the establishment of a suitable organ to be sure participation of the villagers at the planning
stage. It contained provisions for the setting up of a Project Advisory Committee. It was intended that the Project Advisory Committee should be as representative as possible of all the non-official elements within the project area. In securing participation of the villagers in the execution of the programme, the Community Projects Organisation were to avail of all non-official local voluntary organisations.

3.2.25 The pattern of the project as drawn up included major items of works normally implemented through Government agencies. This was bound to involve higher expenditure through elaborate administrative staff, middlemen's fees and possibly in certain cases, questionable practices. If the people were to be trained to be the builders of the future, the works would have to be entrusted, even at certain risks, to the people themselves through their representative agencies, the Governmental organisation furnishing the technical assistance and the essential finance. It was intended that a qualifying scale of voluntary contribution, either in the form of money or of labour, should be laid down and this contribution will be a condition precedent to development schemes being undertaken under the Community Development Programme.

3.2.26 In all these cases, contributions, in the form, either of voluntary labour or cash were to be collected. In respect of backward areas and areas predominantly populated by scheduled castes and scheduled tribes, where it was not be possible for the villagers to make any financial contribution, the villagers were expected to contribute by way of labour effort required for
executing the works programme under various heads.

3.2.27 A systematic evaluation of the methods and results of the Community Development Programme was expected to be done. This would make a significant contribution by pointing up those methods which are proving effective, and those which are not; and furnishing an insight into the impact of the Community Development Programme upon the economy and culture of India. This would be useful to those administering the Community Development Projects and serve as a basis for informed public opinion regarding the programme.

3.2.28 On the subject of administration of district development programmes, it was clear that no plan could have any chance of success unless the millions of small farmers in the country accept its objective, share in its making, regard it as their own, and are prepared to make the sacrifices necessary for implementing it. The integrated production programme had failed to arouse enthusiasm for the reasons. The food problem was a much wider one than mere elimination of food imports. It was the problem of bringing about such a large expansion of agricultural production which would assure to an increasing population progressively rising levels of nutrition. In other words, the campaign for food production was to be conceived as part of a plan for the most efficient use of land resources by the application of modern scientific research and the evolution of a diversified economy. In its turn, agricultural improvement was an integral part of the much wider problem of raising the level of rural life. The economic aspects
of village life could not be detached from the broader social aspects; and agricultural improvement was inextricably linked up with a whole set of social problems. It was clear from the past experience that all aspects of rural life are interrelated and that no lasting results can be achieved if individual aspects of it are dealt with in isolation. This does not mean that particular problems should not be given prominence but the plans for them should form parts of, and be integrated with, those for achieving the wider aims. It is only by placing this ideal — of bringing about an appreciable improvement in the standards of rural life and making it fuller and richer — before the country and ensuring that the energies of the entire administrative machinery of the States and the best non-official leadership are directed to plans for its realisation that mass enthusiasm could be awakened and the active interest and support of the millions of families living in the countryside enlisted in the immense task of bettering their own condition.

3.2.29 This analysis led to the establishment of a national extension organisation for intensive rural work which could reach every farmer and assist in the coordinated development of rural life as a whole. The extension organisations were to bring their entire area under extensive development within a period of about ten years. During the period of the Plan, about 120,000 villages were to be brought within the operations of the extension, that is, nearly one-fourth of the rural population.

3.2.30 In drawing up these extension and development programmes the Central and State Governments were to examine the necessity for providing
the basic training in agriculture and animal husbandry to the village level workers and the various supervisory subject matter specialists. Where existing facilities were inadequate, steps were to be taken to augment them with a view to ensuring an adequate supply of extension workers for each major linguistic region. There was no doubt that the implementation of these proposals could give a new and powerful momentum to all rural work and, in particular, to the programme for increased agricultural production.

3.2.31 The organisation of extension services with the object of securing increased production and raising the standard of village life was a new undertaking. Extension is a continuous process designed to make the rural people aware of their problems, and indicating to them ways and means by which they can solve them. It thus involved not only education of the rural people in determining their problems and the methods of solving them, but also inspiring them towards positive action in doing so. It was, therefore, of the highest importance that for this task, personnel of the right type should be obtained who will take to their work with zeal and enthusiasm. The qualities required were not only the ability to acquire knowledge but also dedication to the task of serving the rural people and the development of a will to find solutions for their problems. People from village surroundings with experience of practical farming were likely to prove of special value as extension workers.

3.2.32 The training of extension workers required the closest attention and must be related to the services that they will have to perform. They had to
understand rural problems, the psychology of the farmer, and find solutions to his various difficulties. They had to try and find out the felt needs of the people, and the solutions that they offered must be demonstrated by acting in close cooperation with the farmers. They should be able to discover leadership and stimulate it to action. Their success would depend on the extent to which they gain the confidence of the farmers. Their duties had to be educative and demonstrative. Their training thus had many facets. Periods spent in gaining a thorough training would be a good investment. If the period of extension training was shortened, so as to be able to cover a larger area than may be otherwise possible, care was to be taken to see that it is preceded by adequate opportunities for basic training in all aspects of rural development. Their conditions of service should also be such as are calculated to keep up their zeal and enthusiasm and ensure the continuous maintenance of high standards of performance. There was to be considerable scope for promotion for men who start at the bottom. In order to develop the true extension approach much might be gained if all extension workers, whether graduates or field level workers, were to start at the field level and only those who proved their worth, received promotions to higher positions. A fair proportion of these positions should also be open to village workers who display the necessary qualities of leadership and ability. For this purpose, courses should be provided at different levels to enable the promising extension workers who start at the field level to reach positions of greater responsibility.

3.2.33 It was important to secure that the extension service retained its character of continued utility to the rural areas which they serve. This factor
was to be particularly borne in mind in judging the work of officials who
man this service. Local opinion on the extent to which an extension worker
has made himself useful should be an important criterion in assessing his
ability.

3.2.34 The confidence of the villager is gained with difficulty and lost easily.
It was, therefore, of the essence of extension that the initial start is made
with items whose usefulness to the cultivator in increasing agricultural
production has been well established. It is only after sufficient confidence is
gained that comparatively untried measures can be put forward, and even
these should be held out as experiments until the people have found the
answer for themselves.

3.2.35 The immediate effect of the first impact of an extension organisation
is normally to increase the demands of the cultivator for credit, supplies and
implements. The satisfaction of these demands is a necessary consequence
of extension activities and they will succeed to the extent this responsibility
is handled efficiently. Extension activities will be adversely affected if
arrangements cannot be made for supplying the needs which they-generate.

3.2.36 Finally, extension workers had to be supported effectively by research
workers to whom they could bring their problems and whose results they
carry to the people. Special arrangements were needed to ensure the closest
cooperation between extension and research.
3.2.37 The 1970s have seen the level of poverty declining at a fast rate, alongside a higher rate of economic growth. This has confirmed that rapid economic growth can, in fact, contribute to the reduction of poverty. This has also prompted the Indian planners to invest more on human resource development as such investments contribute both to faster long-term economic growth as well as to increase the capacity of the poor to derive a fair share of the benefit from it.

3.2.38 The planners have repeatedly emphasised upon providing conditions for accelerated and sustained labour-intensive economic growth and, at the same time, expanding the investment on human resource development.

3.2.39 Studies conducted by the World Bank and certain other agencies have shown that while the poor have gained from economic growth, they have also lost significantly whenever the economy went into a recession or was subject to inflationary trends. This has clearly negated the theory of “immiserizing growth”, which states that growth tends to marginalize or impoverish significant segments of the population. This theory has been proved false in India over the last five decades of planned development.

3.2.40 India’s development strategy has exhibited the following main characteristics -

(i) It has focussed on capital-intensive industrialization with high tariff barriers. These have led to very little benefit going to the rural poor. Perhaps, this explains why it is rural growth, mainly
in the agriculture and allied sectors, rather than urban-oriented industrialization, which has made a dent on rural poverty.

(ii) Subsequently, it has led to significant investment in the agriculture and allied sectors. This has not only raised the average living standards in the rural areas but also succeeded in not accentuating the inequalities in the villages. The green revolution technology, for instance, which was suspected to be favouring the large land-holders and zamindars, has shown that it is largely scale-neutral. In fact, a large number of small and marginal farmers in the States of Punjab and Haryana have also reaped the benefits of the new technology that was introduced during the heydays of this Revolution.

3.2.41 The development experience has also revealed that good roads, irrigation systems, flood control measures, electrification, etc. along with health, education, water supply, sanitation, etc. contribute to making significant inroads against rural poverty.

3.2.42 Hence, it is not necessary to only concentrate only on subsidy-oriented schemes as part of the anti-poverty strategy. In fact, poverty-reduction strategies should strive to maintain the right balance between investments on infrastructure that can return good dividends and subsidy-linked schemes that are also likely to be captured by better-off sections of the population and distort markets, to the further detriment of the poor.

3.2.43 India’s anti-poverty strategy has comprised of a variety of schemes. However, most studies have revealed that hardly any scheme has performed
as per the expectations. Some of the relatively good schemes have been the Integrated Child Development Scheme (ICDS) and the Employment Guarantee Scheme (EGS). The ICDS performed well in a number of States and succeeded in improving the health of children and also in the attendance in schools. The EGS, which had a public works component specifically targeted the poor by providing them with employment for a certain minimum number of days. This ensured that the beneficiaries were able to earn an income during that period. This scheme succeeded in improving their living standards at a relatively low cost.

3.2.44 Some of the problems with the anti-poverty programmes have been –

(i) There is only a partial success of targeting the poor,

(ii) As many as 20% to 60% of the beneficiaries have been the non-poor people, as per certain studies,

(iii) The better performing ones have been under-funded,

(iv) Some schemes have administrative costs that are higher than the value of the resulting benefits,

(v) Some schemes have badly conceived and multiple objectives which only serve to reduce the quality and accountability,

(vi) Many schemes suffer from inadequate monitoring and use of indicators that distort the true objectives of the schemes.

3.2.45 In spite of the many failings, some of the programmes have met with success on the following fronts –

(i) There has been an eradication of the wide-spread famine, which used to be the scourge of rural India in the pre-Independence days. Though there are still reports of starvation deaths from
certain parts of the country, during some years, there are no longer the kinds of famines that one used to hear of during the pre-Independence days,

(ii) A reduction in population growth has taken place. This is more in the States with a high rate of literacy and better education and health facilities and per capita income than the poorer States. However, it is certainly a significant improvement in the campaign to limit the population growth rate,

(iii) Lowering of caste barriers to some extent. This has again happened in certain States due to the spread of education and an awareness that more is to be gained by a smooth integration of the society rather than persisting with the age-old divisions,

(iv) Creation of a large pool of technical and scientific talent. This is certainly one of the most important outcomes of the planning process wherein concerted attempts have been made to set up and encourage the setting up of institutions of higher learning, especially technical and scientific institutions.

3.2.46 There is also immense scope for the involvement of Non Government Organizations (NGOs) as partners in the campaign against poverty. A number of schemes, such as those in the areas of watershed development, rural development, health, literacy, education, and, empowerment of the rural poor especially the weaker sections and women, lend themselves to implementation by the NGOs. Hence, it is important for the planners to build this component into all schemes that are being implemented by Government agencies at present.
3.3 Programmes and Approaches in the later Plans -

3.3.1 In the early 1950s, the policy makers realized that an approach that just aimed at rapid industrial development would not yield the desired results. Hence, special efforts were made to give the poor and weaker sections of society a share of the national wealth by targeting programmes directly at them. The Community Development Programme and the National Extension Service Blocks system were efforts in this direction.

3.3.2 In the early-1980s, with the advent of the “garibi hatao” campaign, poverty eradication became one of the foremost priorities of Government. Numerous programmes were introduced for the scheduled castes, scheduled tribes, small and marginal farmers, landless labourers, rural artisans, agricultural tenants and share-croppers.

3.3.3 There were determined efforts to transfer access to productive assets directly to the poor, through measures, such as land reforms, ceilings on land holdings in urban and rural areas, nationalization of banks and companies in certain key sectors.

3.3.4 The 1980s, saw the introduction of more programmes, as part of the famous Twenty-Point Economic Programme. The Sixth Five Year Plan, which was launched in 1980, saw a significant change in the direction and approach to the problem of poverty in India. The Plan document contained an analysis which is described in the succeeding paragraphs—
3.3.5 The Community Development Programme in the early 1950s helped to establish a net-work of basic extension and development services in the villages, thereby creating awareness in the rural communities of the potential and means of development which made quicker adoption of major technological advances later in the mid 1960s in agriculture possible, reinforced with abolition of intermediary landlords and reform of land tenure system. The investments in the successive five year plans led to the creation of essential physical and institutional infrastructure of socio-economic development in many rural areas. Later, programmes specifically designed for the development of small and marginal farmers and the landless and agricultural labourers were taken up in the early 1970s.

3.3.6 A special programme for the development of Drought Prone Areas (DPAP) was introduced in the mid 1970s and a programme of development of desert areas in the late 1970s. A programme of Food for Work was launched in 1977 to provide opportunities of work for the rural poor particularly in slack employment periods of the year which would at the same time create durable community assets. Irrigation facilities have been expanded manifold. With a view to removing regional disparities, particularly in less endowed or dis-advantaged areas, like the hill and tribal areas, special sub-plans of development were introduced. Special financial and fiscal concessions, credit on softer terms and subsidies have also been made available to under-developed areas to attract increased industrial investment.
3.3.7 A Minimum Needs Programme was designed to secure to the rural areas within a reasonable time-frame certain basic amenities in the field of education, health, drinking water, electrification, roads and house-sites.

3.3.8 The major thrust of the Sixth Five Year Plan, 1980-85 was expected to be on strengthening the socio-economic infrastructure of development in the rural areas, alleviating rural poverty and reducing regional disparities. Specific programmes and strategies to be adopted during the Plan period to achieve these goals were worked out.

3.3.9 The Small Farmers Development Agencies (SFDA) programme, aimed at the target group of small and marginal farmers and agricultural labourers, has been in operation since 1971 covering 1818 blocks in the country. The objective of the Programme was to assist persons specifically identified from this target group in raising their income level. This was to be achieved by helping them, on the one hand, to adopt improved agricultural technology and acquiring means of increasing agricultural production like minor irrigation sources, and on the other hand, to diversify their farm economy through subsidiary activities like animal husbandary, dairying, horticulture etc. The Agencies were to make particular efforts to ensure that the needed inputs and credit were made available to these persons by respective credit agencies. Enrolling them as members of the credit cooperatives was one of the operational objects of the programme so that they could draw necessary assistance from them. Up to March, 1980 the Agencies had identified 16.7
of these, 8 million beneficiaries including 1.3 million belonging to the scheduled castes and scheduled tribes, have been assisted. 6.1 million or 75 per cent of these beneficiaries have been helped in acquiring access to improved agricultural practices through subsidised supply of inputs, improved implements and field demonstrations. Bulk of the remaining 1.9 million beneficiaries have been covered under the more substantive asset development programme like acquisition of milch cattle, sheep, poultry, piggery etc. (0.9 million), minor irrigation (0.9 million), and other categories including forestry and village industries (0.1 million).

3.3.10 Short term credit advanced to the beneficiaries of this programme through cooperatives was Rs. 27.76 crores during 1979-80 and through commercial banks Rs. 6.03 crores. The cumulative medium and long-term loans advanced through cooperatives up to March, 1980 amounted to Rs. 112.82 crores and Rs. 140.20 crores respectively. The total outlay utilised by way or subsidy to beneficiaries and other grants, and expenditure on execution, amounted to Rs. 156.10 crores during the period 1974-79. It will be seen that while the numbers identified for assistance represented only a segment and not the whole of the target group, the numbers benefited are only about half the number identified. Furthermore, the nature of assistance given to the bulk of them comprised items which did not lead to any specific additional asset creation. The actual impact of these items of assistance on the income of the beneficiaries therefore varied a great deal and in many cases has been of doubtful significance. Where, however, assistance has been given for developing minor irrigation sources or for acquiring milch
cattle, sheep, goats, poultry etc. the impact has been significant. The principal reason for a lower coverage under such asset creation purposes has been the progressive erosion in the integrated functioning of the Block agency which is the main implementation agency, inadequacies of the credit institutions and lack of coordination and adequate support from concerned departments to the implementing agencies.

3.3.11 The concept of an Integrated Rural Development Programme was first proposed in the Central budget of 1976-77, and a beginning was made. This programme was intended to assist the rural population to derive economic benefits from the developmental assets of each area. The programme with some modifications was introduced on an expanded scale in 1978-79. Besides the small and marginal farmers, this programme was more specific in regard to agricultural workers and landless labourers and additionally brought within its purview rural artisans also. The programme emphasised the family rather than individual approach in identification of beneficiaries. 5.3 million families had been identified under the programme for assistance as on 31-3-1980. Of these, 2 million families have been already given assistance in some form. Under this programme, as in the SFDA Programme, largest coverage was under the improved agriculture category (60 per cent in 1979-80), followed by animal husbandry (15 per cent in 1979-80). Though conceptually this programme was comprehensive in scope and sought to secure, through a process of block level planning, fuller exploitation of the local growth potential with a view to making an optimum impact on the local poverty situation, in point of fact it has also tended to operate on the same lines as the SFDA. Undoubtedly the
programme has only recently begun and has yet to firmly establish itself. It has also been subject to the same constraints as the ones earlier mentioned in respect of SFDA.

3.3.12 Drought Prone Areas Programme (DPAP) was in operation since the Fourth Plan. Since its inception upto March, 1980 a total expenditure of Rs. 426 crores has been incurred on this programme. Under this programme upto December, 1979 13.30 lakh hectares of land had been treated with soil and moisture conservation measures, irrigation potential of 2.72 lakh hectares cicatced, afforestation and pasture development taken up on 4.77 lakh hectares and 72,000 milch animals distributed to individual beneficiaries. The weakest aspect of its operation has, however, been its lack of effort and impact on the development of better dry land farming practices and cropping patterns.

3.3.13 The Desert Development Programme was operating in 128 blocks covering arid areas in 20 districts in 5 States in the country, including the two cold desert areas of Ladakh and Spiti. The main aim of the programme was to check desertification and combine it with projects which facilitate development of productivity and productive resources of the area and its inhabitants. Under this programme since its inception in 1977-78 upto March, 1980, an expenditure of Rs. 23.21 crores had been incurred. The expenditure had mainly been on schemes of afforestation, water harvesting, rural electrification and animal husbandry. Investments under this programme have been somewhat slow in picking up; particularly in forestry.
and pasture development. This has been largely due to the forestry organisation in the States being inadequately equipped to meet the particular requirements of the desert areas.

3.3.14 A Food for Work Programme was initiated in 1977-78, aimed at creation of additional employment in rural areas on works of durable utility to the community, with the use of surplus foodgrains available in the buffer stock for payment as wages. The programme gained momentum in 1978-79 when over 12 lakh tonnes of foodgrains were utilised creating 372.8 million mandays of employment. During 1979-80, the utilisation was provisionally estimated at 23 lakh tonnes of foodgrains inclusive of the special allotments which were made to the States affected by drought in that year, resulting in about 600 to 700 million mandays of employment. The programme, besides creating substantial additional employment in the rural areas during lean employment periods, more particularly in areas affected by the widespread drought of 1979, made a favourable impact on stabilisation of wages in the rural areas and also helped check the rise in prices in foodgrains. Notwithstanding, however, its very substantial achievements in respect of employment generation and even more so its popularity and promise, the programme suffered from severe limitations in respect of planning and supervision of works. The operation of this programme on a year-to-year basis had resulted in uncertainty about its continuance for the full Plan period. In the circumstances, the State Governments were disinclined to build the needed technical and administrative support to effectively plan, monitor and oversee the programme. No serious attempt appeared to have been made by the State Governments to develop for each block where the
programme was being implemented, a shelf of projects which would be the most useful from the point of view of local needs and would also, fit in with overall national priorities. As a result, works of low priority with dubious utility have been taken up at several places. For want of a back-up financial provision in many States, which could be used to finance the cost of materials required for works, the tendency has been to take up kachha roads on a large scale, which unless brought to at least a semi-pacca stage would not be able to survive one or at best two monsoons. Due to lack of the needed administrative and technical back-up, the work was often executed through contractors. This was, however, not to say that work everywhere has been of this nature. A great deal of durable assets whether in the nature of irrigation tanks or school buildings, panchayat buildings, drinking water wells, paving of village streets and drainage and such like have also been created.

3.3.15 As brought out above the SFDA, IRD, DPAP, DDP and the Food for Work programmes had over the years achieved their objectives only partially. The size of the problem which these programmes, especially the individual beneficiary oriented programmes like SFDA and IRD, have to deal with is enormous. The pace and the manner in which the problem of rural poverty had been dealt with left much to be desired both qualitatively and quantitatively. Only a small fraction of the rural poor has so far been covered effectively by these poverty amelioration programmes. Even amongst those covered, a sizable portion is of those who had some land. The bottom deciles of the rural poor i.e., the landless and the rural artisans, who are the poorest, have in most cases been left untouched. In the area
development programmes (DPAP/ DDP) also, while significant progress has been made in expanding minor irrigation and dairying, the same measure of effort has not gone into the programmes of soil and water conservation on a scientific watershed development basis, and on afforestation and pasture development. These are programmes of critical importance to these areas. Of all elements, the weakest has been the introduction of changes in agronomic practices and cropping patterns most advantageous in the particular agro-climatic potential of the area. Marginal lands continue to be over exploited through crop husbandry even though optimal utilisation in many cases would be through pasture and grass land? Development. Animal husbandry was seen as an important and promising activity for these areas but while about a million beneficiaries have been enabled to acquire milch cattle and other animals, the back-up effort in respect of better feed and fodder, health care and breed improvement has been grossly inadequate. The constraints from which these programmes have suffered have not been financial but organisational inadequacies and lack of a clear-cut plan of development for the area to which coordinated effort of all concerned agencies could be directed.

3.3.16 In this back-drop, alleviation of rural poverty was to be the prime objective of the Sixth Plan. An increase in the productive potential of the rural economy is an essential condition for finding effective solutions to the problems of rural poverty. At the same times, recognising the constraints which limit the scope for higher growth rate in medium-term, more direct means of reducing the incidence of poverty and destitution would have to be employed. It is well known that the hard core of poverty is to be found in
rural areas. The poorest sections belong to the families of landless labourers, small and marginal farmers, rural artisans, Scheduled Castes, Scheduled Tribes and socially and economically backward classes. House-holds below the poverty line will have to be assisted through an appropriate package of technologies, services and asset transfer programmes.

3.3.17 The strategy and methodology for accelerated rural development was to be as follows:

a. increasing production and productivity in agriculture and allied sectors;

b. resource and income development of vulnerable section of the rural population through development of the primary, secondary and tertiary sectors;

c. skill formation and skill upgrading programmes to promote self and wage employment amongst the rural poor;

d. facilitating adequate availability of credit to support the programmes taken up for the rural poor;

e. promoting marketing support to ensure the viability of production programmes and to insulate the rural poor from exploitation in the marketing of their products;

f. provision of additional employment opportunities to the rural poor for gainful employment during the lean agricultural season through a national rural employment programme (NREP);
g. provision of essential minimum needs; and

h. involvement of universities, research and technical institutions in preparing a shelf of projects both for self-employment and NREP and in preparing strategies for the scientific utilisation of local resources.

3.3.18 The development of the rural areas was the concern of all sectors of the economy and these areas draw benefits of development in varying degrees from various sector. There were three broad categories of programmes to achieve these objectives:

i. Resource and income development programme for the rural poor.

ii. Special Area development programme.

iii. Works programme for creation of supplementary employment opportunities.

3.3.19 A number of programmes have been operating in the country, some for as much as the last ten years (SFDA/MFAL) and some introduced recently, aimed at improving the economic conditions of the rural poor. None of these programmes covered the whole country, though a large number of blocks in the country had more than one of these programmes operating simultaneously in the same area for the same target group. This territorial overlap combined with the different funding patterns of these programmes, not only created considerable difficulties in effective monitoring and accounting, it often blurred the programme objectives. In practice, therefore, these programmes were reduced to mere subsidy giving
programmes shorn of any planned approach to the development of the rural poor as an inbuilt process in the development of the area and its resources. Hence, they did not have the desired impact.

3.3.20 In the light of this experience, it is proposed that such multiplicity of programmes for the rural poor operated through a multiplicity of agencies should be ended and be replaced by one single integrand programme operative throughout the country. The programme was to be called the Integrated Rural Development Programme (IRDP). Of the 350 million people below the poverty line in the country, around 300 million are in the rural areas. These consist largely of the landless labourers, small and marginal farmers, rural artisans, and other workers. The hard core of poverty is constituted by the marginal farmers, agricultural labourers (about half of whom are landless), rural artisans and fishermen constituting nearly one-third of the rural work force. Possessing little or virtually no assets, they need to be enabled to acquire productive assets and/or appropriate skills and vocational opportunities and then backed effectively with services to increase production and productivity. If through special programmes of specific beneficiary oriented assistance this group could be brought above the poverty line, a major impact would have been secured on the overall economic levels of the country.

3.3.21 The main objective of the IRD programme was to evolve an operationally integrated strategy for the purpose, on the one hand, of increasing production and productivity in agriculture and allied sectors
based on better use of land, water and sunlight, and on the other, of the resource and income development of vulnerable sections of the population in all the blocks of the country. Any developmental strategy which aims at improving the lot of the rural poor must aim at creating new productive assets for them. Improving the productivity of land by providing access to inputs like water, improved seeds, and fertilizers would be an essential means to help those categories of the rural poor, who have some land asset. Diversification of agriculture through animal husbandry, dairying, forestry, fishery, sericulture etc. will benefit both the landless and the land holders and this would form an important plank of the programme. Processing and manufacturing activities based on local resources will also have to be identified and fully exploited. Post harvest technology will have to be improved so that both producers and consumers benefit from enhanced production.

3.3.22 Since the bulk of the rural poor were landless or marginal farmers, a significant part of the activities for their benefit was to be in the non-farm sector. While subsidies will continue on the existing pattern to help the rural poor to acquire productive assets their role which has been overplayed will have to be brought in the correct perspective. Formulation of schemes to launch the prospective beneficiaries in viable economic activities is the linchpin of this programme. Identification of these activities, formulation of projects based on these, provision of forward and backward linkages, arranging of credit and choosing the right beneficiary, are the most important aspects of the process of helping the intended beneficiaries. Village and cottage industries and the services sector offer considerable
untapped potential for self and wage employment. These sectors have heretofore received only scant attention in the poverty amelioration programmes. The potential of these sectors needs to be optimally exploited by strengthening the arrangements for the supply of raw materials, consumer-based designs and marketing facilities. It is proposed to cover a sizable number of beneficiaries in each block through programmes in these sectors. Suitable support will be provided through programmes of skill formation. In these tasks, the educational, research and technical institutions will be fully involved through suitable agreements between them and the concerned development departments.

3.3.23 The operational strategy of IRDP was to have the following main elements:—

(1) A five year development profile was to be drawn up for each district disaggregated into blocks, based on practical possibilities of development in agriculture and allied sectors. This plan was to be based on a scientific understanding of the developmental assets of the district and will particularly deal with optimum development of ground and surface water resources, fuller water utilisation (including private sources like wells and tubewells), and dairy, animal husbandry, fisheries, forestry and local manurial and fuel resources including bio-gas, development. The plan so formulated would become the framework of action for the relevant schemes of development in these sectors.

(2) While access to agricultural extension services is to be provided to all farmers, the programme would also ensure that guidance is provided on a
systematic basis to the small and marginal farmer families. A specific operational programme will be drawn up by the extension agency for this purpose.

(3) A special programme of assistance to the poorest of the rural households was to be drawn up to raise the specific households, so identified, above the poverty line. This programme will be implemented on a phased basis. A household rather than individual approach will be followed, implying that the economic uplift of the household will be sought through a package of activities involving all working members, with particular attention being given to economic programmes for women. In the identification of families to be assisted, the village council (Gaon Sabha) must be involved, and the identification done in a manner which would ensure that only those belonging to the target group are identified.

(4) A blueprint for exploiting the available potential in the secondary and tertiary sectors, which also spells out linkages for training and marketing was to be prepared for each block and families from among the target group identified for assistance based on such a blueprint.

(5) A suitable mechanism was also be developed to secure representation of the poor on the implementing agencies at the district, block and village levels to facilitate better planning and implementation of the programme. A village plan register indicating details of all the identified families and the development programmes drawn up for them should be maintained at each village.

(6) The credit plan for the District/Block while taking into account the total credit needs of the area, was also specifically indicate the credit programme
for the target groups. It must also be ensured that their needs are met on a priority basis.

(7) IRDP was be implemented through a single agency in each district. Such agencies already existed in most districts in the country. In others new agencies would be set up, with adequate autonomy so as to enable them to formulate and implement. An unambiguous organisational arrangement-the programmes effectively is necessary. Each district agency will have a multi-disciplinary planning team which may be funded out of the programme provision. The planning teams will take up the preparation of block plans in each district, and will also prepare specific development projects within the framework of such plans with the help, where necessary, of appropriate technical personnel available in the district or higher levels in concerned departments.

(8) Effective implementation of the programme was largely dependent on an efficient and well-equipped field level organisation. Block organisation which has necessarily to be the field level agency for implementation has been greatly eroded over the years, and needs to be strengthened adequately in the terms of staff, both specialised and village level. Where the T&V extension scheme has been introduced, clear linkages will need to be established between the personnel working with this scheme, both at the specialist and V.L.W. level and the plan of work to be undertaken under IRDP.

(9) IRDP has been conceived essentially as an anti-poverty programme. This objective is proposed to be achieved by enabling the poorest families to acquire productive assets, technology and skills as would make their
economic activities viable. These families will also need support from social services like health, education and housing. It will be necessary to link to the extent possible the prospective beneficiaries under the IRDP to these social services, particularly programmes like applied nutrition, compulsory primary education, adult education, family welfare, children's and women's welfare, activities etc. The prospective beneficiaries having been identified, these lists should be made available to the departments concerned for them to follow up these persons in respect of the services handled by them. The house-hold-centered poverty alleviation strategy will thus come to consist of steps not only for the economic emancipation of the family, the but also the education of the children, health and welfare of the vulnerable members, adoption of small family norm etc.

3.3.24 Of the approximately 20,000 families in a block, about 10,000—12,000 families on an average would be below the poverty line, though undoubtedly in individual blocks this number would vary from area to area. It is proposed to provide specific assistance under this programme to 3,000 families on an average in each block during the Sixth Plan. These families should be from the bottom deciles of the rural population below the poverty line. It is essential that specific income generating projects are developed for each identified beneficiary family. Though the nature and scope of development projects for these families will vary from block to block depending upon opportunities, it is assumed that of the 3,000 families approximately 2,000 could on an average be covered by schemes broadly falling in the area of agriculture and allied activities, 500 in villages and cottage inlus-tries and another 500 in the services sector. It is important that
the identification of an economic activity(s) for a household is done in full consultation with the beneficiary household concerned so that the project is appropriate to its inclination and management capability. The project must also be able to give enough net income to take it across the poverty line.

3.3.25 Small and marginal farmers who constitute over 70 per cent of the farming population have little input mobilising power and risk taking capacity. Hence credit is a key input in achieving a rapid diffusion of benefits from new technology. It is also essential for promoting self-employment and in the creation of productive assets. The success of Integrated Rural Development Programme will mainly hinge on the preparation of viable schemes for these identified for assistance and the provision of investment credit therefore on and assured basis. While over the years there has undoubtedly been an impressive step-up in credit availability to the weaker sections, its dispersal among various strata of the rural poor has been extremely disparate. Among them the main beneficiaries have been the small and marginal farmers, the former distinctly more than the latter. The least to benefit have been the landless and the rural artisans, who as a category account for as much as one-fourth of the rural work force. The policy of stipulating a minimum percentage for the entire target group of weaker sections has done little to prevent glaring intra-group distortions. Experience shows that bracketing those who have some resource (land) with those who have none generally tends to operate to the disadvantage of the latter. It, therefore, appears necessary that the strategy of credit deployment should be so oriented as to equitably serve the needs of each category. This will call for more effective credit planning and prescription of separate
targets of credit for the sub-group of the landless and the artisans, alongwith arrangements for the formulation of economically viable projects for them.

3.3.26 While attempting to do this, it was to be stressed that the credit delivery systems, of both cooperative and commercial banks, will require considerable toning up. Simplification of procedures, systematic identification of the most needy among the target group and preparation of appropriate investment projects for them and re-orientation from security-based lending to project-based lending are some of the important aspects of an improved delivery system. Credit-cum-input supply melas Or other effective credit and input delivery systems will have to be adopted on a large scale before the onset of kharif and rabi sowings. Full support will need to be given by the extension agency in building up the awareness and motivation of the rural poor in respect of their production and investment needs. It is also proposed to devise suitable credit insurance schemes for insulating weaker sections from total loss due to factors beyond their control. Alongside, fullest emphasis will be given to recovery disciplines, pressures which have lately developed in some parts of the country for general writing off of overdues can only be viewed with extreme concern, for the consequences of this will be disastrous for the credit system as a whole. The aim of the Sixth Plan is to secure a high rate of rural credit expansion to serve the productive needs of all with priority being given to the credit needs of the various economic groups among the poor. Recycling of credit is an imperative of the process of expansion.
3.3.27 The DPAP was an integrated area development programme in agricultural sector and aims at optimum utilisation of land, water and livestock resources, restoration of ecological balance and stabilising the income of the people particularly the weaker section of the society. Some of the important elements of the programme were:—

i. Development and management of water resources.

ii. Soil and Moisture conservation measures.

iii. Afforestation with special emphasis on social and farm forestry.

iv. Development of pasture lands and range management in conjunction with development of sheep husbandry. (v) Live-stock development and dairy development.

v. Restructuring of cropping pattern and changes in agronomic practices, and

vi. Development of subsidiary occupations.

3.3.28 The programme was to be continued during the Sixth Plan period with the strategy for development of these areas being re-oriented to insulating the economy of these areas from the effects of recurring droughty through diversification of agriculture and promoting afforestation, pasture development and soil and water conservation. Of late, operational plans for these areas are being prepared from year to year. This is inconsistent with the long-term perspective which is essential for these areas. What was needed is to evolve a medium-term strategy for development of these areas from
which should flow the annual action programmes. Mere spending of money even on accepted priority programmes would not meet the objective unless this is done as a part of clearly conceived perspective of development. Economic development of these areas would be achieved through activities which in the long run contribute actively in creating conditions which mitigate the effects of drought in these areas. Watershed management was to receive the highest priority and steps will be taken to promote the cooperative management of the watershed by the people in the area. Medium term project profiles which aimed at achieving the objectives of the programme would be prepared for each drought prone district. Individual beneficiary content of these programmes will be supported through the IRDP. The DPAP has a large potential for generating avenues of employment. This will be optimally utilised in conjunction with the National Rural Employment Programme. Overlap of areas under this programme with those under the Desert Development Programme was to be eliminated.

3.3.29 The Desert Development Programme aimed at checking further desertification of the desert areas and raising productivity of the local resources to raise the income and employment levels of the local inhabitants. The programme will continue to be implemented both in the hot and cold arid zones of the country during the Sixth Plan. The emphasis will be on arresting desertification through activities which restore ecological balance, stabilise sand dunes, and facilitate soil and water conservation. Plantation of shelter belts, adoption of water harvesting techniques and development of pastures to sustain the livestock economy will be vigorously pursued. Exploitation of the natural resources of these areas will be closely linked to
replenishment of these resources, it is proposed to encourage innovative use of land for fodder crops, pastures and fuel and fodder plantations. This diversification can substantially improve the economy of the desert areas in keeping with the ecological requirements of the area. In the cold arid zones of Ladakh and Spiti, irrigated agriculture and improved animal husbandry practices would be among the activities to be encouraged.

3.3.30 The problem of employment in rural areas is mainly of seasonal unemployment and underemployment. Fuller employment opportunities for the rural work force will in the main have to be found within the agricultural and allied sectors themselves, through intensification and diversification of agriculture based on expansion of irrigation and improved technology. However, the very dimensions of the problem call for a multi-pronged strategy which aims on the one hand at resource development of vulnerable sections of the population, and on the other, provides supplementary employment opportunities to the rural poor, particularly during lean periods, in a manner which will at the same time contribute directly to the creation of durable assets for the community. Programmes in the nature of Small Farmers Development Agencies, Integrated Rural Development, Drought Prone Areas Programme, Desert Development Programme, Command Area Development Programme, TRYSEM and the like, aim at resource development on individual or area basis. As for the object of providing supplementary employment opportunities, a beginning was made in this direction through the Food for Work Programme. Based on the experience of this programme, it is possible to build it into a well directed and sustained national programme for providing supplementary employment opportunities
to those seeking work, during lean employment periods of the year. In the past, however, special programmes for solving the problem of unemployment and under-employment have often tended to be formulated and implemented in isolation of the on-going developmental projects. It is necessary to view employment as an indivisible component of development and ensure that both in concept and implementation, employment and development become catalysts of each other, and the benefits to the community from the limited resources available maximised.

3.3.31 During the Plan period, rural development programmes in the form of individual beneficiary and area development schemes and other sectoral programmes in the Plan will also provide opportunities to many of the rural poor for gainful employment through production enhancing activities. Beneficiaries of these activities will in the main be those with an asset base. A large number of people in the rural areas are without assets or with grossly inadequate assets and need to be provided wage employment. This segment of the rural poor which largely depends on wage employment virtually has no source of income during the lean agricultural period. The National Rural Employment Programme is conceived, in the main to take care of this segment of the rural poor. Under this programme, development projects and target group oriented employment generation projects will be closely intertwined.

3.3.32 The implementation agencies would be required to give priority to works relating to social forestry and pasture development, soil and water
conservation, irrigation, flood protection and drainage, field channels in irrigation command areas, construction and improvement of village tanks and ponds, school and dispensary buildings and works to improve village environments, hygiene and sanitation. Only those roads may come in the priority category which can be made at least semi-pucca with culverts or have a reasonable prospect of being brought within the regular road programmes of the State or Panchayati Raj Institutions, as the case may be. While only such works as create community assets should be taken up, an exception may be made in the case of works benefiting individuals belonging to Scheduled Castes and Scheduled Tribes in respect of group housing and land development projects. Special attention will be paid to programmes where women can be gainfully employed.

3.3.33 In order to ensure that benefits of this programme reached the weaker sections of the society, at least 10 per cent of the allocation under the programme would be earmarked for utilisation exclusively on programmes of direct benefit to Scheduled Castes, viz. Drinking water wells in Harijan Bastis, community irrigation schemes in which majority of the beneficiaries are Harijans, environmental improvement works in Harijan localities and horsesites/group housing for the Harijans. Another 10 per cent of the allocation under the Programme would be specifically earmarked for utilisation on programmes of social forestry and fuel plantations. The utilisation of provisions by the States on these two activities will be specially monitored. It will be desirable to regulate employment on the rural works taken up under the NREP and other Plan works so as to take particular care
of the needs of the families in the target group.

3.3.34 Specific attention was also to be paid to promoting women's participation in this programme. Any set of programmes aimed at the transformation of rural societies, with their complex sets of social values and goals, would be meaningless and in fact self-defeating, if they do not involve effectively the rural women. Women in the villages suffer from a number of social, economic and educational handicaps and inequalities, perhaps even more than their urban counterparts. They share almost the whole burden of household chores, besides significantly helping their menfolk in farming operations. The need for organising and informing the women as will enable them to effect better home management and thereby reduce their own drudgery as well as promote family welfare is imperative. Indeed, with the increased diversification of agriculture to animal husbandry etc. envisaged in the Plan the role and participation of women in the economic activities of the family gets even more accentuated. A useful institutional means for mobilising women in rural areas is through their organisations like Mahila Mandals centred around both social and economic activities. A large number of such Mahila Mandals had been formed under the Community Development Programme, estimated at around 66,000. Most of them, however, have languished for lack of proper guidance and follow-up. Even the small complement of two gram sevikas and one mukhya sevika, which was part of the original Block staffing pattern, has ceased to exist in most blocks. It was proposed to take up a programme of strengthening activities of interest to women, both social and economic through revitalised Mahila Mandals in a phased manner in a substantial number of blocks, as an integral
part of the Integrated Rural Development Programme.

3.3.35 The Block agency was, and would continue to be, the main agency for implementing or assisting in implementation of various programmes of rural development. The effectiveness of this agency as an instrument for coordination of all development activities has been eroded over time. Now that the Integrated Rural Development Programme is proposed to be extended to the whole country, along with the National Rural Employment Programme and the increased demands of the Panchayati Raj system, this agency in its present weak state will not be able to cope with the magnitude and the diversity of the task it will be called upon to handle. The need for strengthening it is, therefore, imperative. It was proposed to devise a compact multidisciplinary apparatus at the block level which would be able to effectively service the needs of diverse rural development activities. Suitable linkages will also be established with the village and higher level functionaries of the T&V extension scheme.

3.3.36 In the light of various problems and constraints in the co-operative sector with regard to credit and supply of inputs, it was proposed to specifically direct attention during the Five Year Plan to the following tasks on a priority basis:

i. A clearly conceived action programme to be drawn up for the strengthening of primary village societies so that they are able to effectively act as multi-purpose units catering to diverse needs of their
members.

ii. Re-examination of the existing cooperative policies and procedures with a view to ensuring that the efforts of the cooperatives are more systematically directed towards ameliorating the economic conditions of the rural poor.

iii. Re-orientation and consolidation of the role of the cooperative federal organisations so that they are able through their constituent organisations to effectively support a rapidly diversifying and expanding agricultural sector, including horticulture, food processing, poultry, dairying, fishery, animal husbandry, sericulture etc., with credit, input supply, marketing and other services.

iv. Development of professional manpower and appropriate professional cadres to man managerial positions.

3.3.37 The agriculture sector required substantial credit, farm inputs, and marketing and storage support. Further, within this sector, dairying, animal husbandry, poultry, fishery and fruits and vegetables would also be promoted.

3.3.38 The Integrated Rural Development Programme which would now cover the entire country would demand much larger multi-sided support from the cooperatives. Particular attention will be given to the development and strengthening of dairy cooperatives in the context of Operation Flood II, in which cooperatives constitute the organisational frame-work of the project almost wholly. The role of the fishery cooperatives has only been somewhat
marginal so far, both qualitatively and quantitatively. Fishermen have been one of the poorest and the most exploited sections of the rural community. A specific programme of strengthening the cooperative structure in this field will therefore be drawn up. Minor Irrigation Development and water management is another important area of activity in which corporations will have to be particularly encouraged. Cooperatives are also expected to play an expanded role in the public distribution system and in the supply of essential consumer articles in rural and urban areas. Considerable expansion in the storage capacity of cooperatives was envisaged with a view to strengthening and enlarging their role in the marketing of agricultural produce, supply of farm inputs and retailing of consumer articles. Substantial increase was proposed in the oil-seeds processing capacity, particularly for soyabean to encourage increased production and in cold storage capacity to support expanded programmes of potato, fruits and vegetables production.

3.3.39 It was realized that the Planning process in a democratic country could acquire fuller meaning and depth if the people not only associate themselves in planning for their development but also participate consciously in plan implementation. The successive Plans emphasised the need for promoting peoples' organisations to secure this end. The very raison d'etre of Panchayati Raj was to ensure peoples' participation in local planning and implementation. Likewise the emphasis through the Plans on building up cooperatives was to strengthen peoples' involvement in the management of their economic development. Panchayati Raj and cooperative institutions though peoples' organisations are, however,
creatures of the Government through various statutes. What is of equal importance is the promotion of purely non-governmental organisations, formal or informal in nature, which could motivate and mobilise people in specific or general developmental tasks. Experience suggests that the task of educating and mobilising the people in this direction is more effectively accomplished when it is institutionalised. Individual action though important can only be sporadic in nature, whereas institutionalised action can be distinctly more effective in mobilising local resources, articulating needs and coordinating the developmental tasks which are undertaken by the people.

The following were some of the forms of institutionalised action.

a. Youth and Women's organisations operating at different spatial levels, particularly for promoting eco-development and environmental sanitation.

b. Voluntary organisations engaged in general developmental work in an area or on a specific activity like education or health or a combination of a few such activities.

c. Organisations of specific beneficiary or interest groups like self-employed women, or farmers or of people who have common economic interest such as marketing.

d. Organisation of the farmers living in command area of irrigation projects catchment areas in the hills and watershed areas in unirrigated regions into cooperatives for improving land and water management without affecting the individuality of holdings.

e. Religious, social or cultural organisations or clubs (Rotary, Jaycees.
Lions etc.) which often undertake developmental activities in selected areas.

f. Professional organisations or educational institutions which take up study, research and social action programmes as part of their professional or social Commitments.

3.3.40 Success stories in the field of voluntary action are many. However, considering the vast pool of motivated Individuals, what has fructified so far by way of organisational effort in this behalf is not even a fraction of the potential. An important objective of the Sixth Plan was to meaningfully tap this potential.

3.3.41 Peoples' participation was to be sought in fields of activity. The following, however, is an illustrative list of some of the activities in which awareness and conscious participation of the people is essential for success and would, therefore, be pursued with earnestness:

a. Optimal utilisation and development of renewable sources of energy, including forestry through the formation of renewable energy associations at the block level.

b. Family welfare, health and nutrition education and relevant community programmes in this field.

c. Health for all programmes.

d. Water Management and Soil Conservation (warabandi, watershed
development etc.)

e. Social Welfare programmes for weaker sections.

f. Implementation of minimum needs programme.

g. Disaster preparedness and management (floods, cyclones etc.).

3.3.42 In all Government programmes touching upon the above areas of development, care would be taken to see that the existing policies and procedures are reviewed and reoriented to motivate, encourage and support peoples' participation in an organised way through local groups and associations, or voluntary organisations.

3.3.43 Further, supplemental action by voluntary agencies in promoting activities for self-employment as well as development of the rural poor would be of invaluable help in optimising the results of Plan programmes, by enhancing the effectiveness and efficiency of the services provided by governmental functionaries and by motivating the concerned beneficiaries and rendering suitable guidance to them in the formulation of viable projects and sources of funding.

3.3.44 Another area of voluntary action was through business houses. There is increasing interest among the business houses for involvement in rural development work. However, the efforts made so far are scattered and sporadic. It was proposed that the business houses and their chambers will
be persuaded to coordinate their efforts so that a comprehensive programme of development is taken up in selected areas/blocks with the combined resources of the participating business houses. The input of financial and managerial assistance from business houses would be utilised as far as possible through local peoples' groups or voluntary organisations.

3.3.45 The role of Government agencies should be to help people to help themselves. Success in achieving a rapid improvement in the quality of life of the rural and urban poor will depend upon the extent of involvement of our vast human resourcea in national development.

3.3.46 Thereafter, in the subsequent Plans, more programmes have followed at regular intervals. Some of the major poverty-alleviation programmes across the Plans, are described below –

- Integrated Rural Development Programme (IRDP) aimed at providing self-employment to the rural poor through acquisition of productive assets and inputs which generate additional incomes on a sustained basis to enable them to cross the poverty line.
- Development of Women and Children in Rural Areas (DWCRA) aimed at social and economic empowerment of women among the rural poor by forming them into self-help groups engaged in income generating activities.
- Training of Rural Youth for Self Employment (TRYSEM) aimed at providing basic technical and entrepreneurial skills to the youth among the rural poor to enable them to take up self/wage employment.
Supply of Improved Tool Kits to Rural Artisans (SITRA) attempted at enabling rural artisans to enhance the quality of their products and increase incomes with the help of improved tools.

Special Component Plan (SCP) was a set of income generation schemes which were aimed only at persons belonging to the Scheduled Castes.

Tribal Sub Plan (TSP) was a programme quite similar to SCP. The only difference was that in this case the beneficiaries belonged to the Scheduled Tribes.

Ganga Kalyan Yojana (GKY) was supposed to provide irrigation through exploitation of ground water (borewells / tubewells).

Jawahar Rozgar Yojana (JRY) and was meant to provide employment for a short duration in the form of casual manual work during the lean agricultural season on public works which create economic infrastructure and community assets. The thrust of Government policy was to assure at least 100 days of employment per person per year by coordinating all wage employment schemes.

Employment Affirmation Scheme (EAS) was yet another attempt at providing employment for a minimum period of time, especially during the off-season for agricultural operations, in the form of casual manual work. This employment was mainly on public works which create economic infrastructure and community assets. The thrust of Government policy was to assure a minimum number of days of employment per person per year by coordinating all wage employment schemes.

Million Wells Scheme (MWS) was meant to provide open irrigation wells, free of cost to small and marginal farmers who are below the poverty line. Where wells are not feasible due to geological factors, other minor irrigation works could be undertaken.
- Peoples' Housing Scheme (PHS) was to provide dwelling units free of cost or at a highly subsidised cost to the families living below the poverty line in rural areas and to all shelterless poor.

- Indira Awaas Yojana (IAY) was yet another scheme that attempted at solving the housing problem in the rural areas. It aimed at providing dwelling units free of cost or at a highly subsidised cost to the families living below the poverty line in rural areas and to all shelterless poor.

- National Social Assistance Programme (NSAP) was introduced to provide social assistance to poor households in the case of old age, death of the primary breadwinner and maternity.

- Basic Minimum Services Programme (BMSP) was launched to ensure access of all the people in the country to Seven Basic Services in a time-bound manner. The Services identified for priority attention are –
  - provision of safe drinking water,
  - primary education,
  - primary health care,
  - electricity connectivity to all unconnected villages and habitations,
  - shelter for the shelterless poor,
  - nutrition and
  - streamlining the Public Distribution System with main focus on the poor.

- Swarna Jayanti Gram Swarozgar Yojana (SJGSY) is a recent scheme for poverty alleviation. This scheme attempts at upliftment of a group of persons or even a small village community, instead of targeting an individual beneficiary.

- Sampoorna Grameena Rozgar Yojana (SGRY) Swarna Jayanti Gram Swarozgar Yojana (SJGSY) is the latest scheme that attempts at alleviating poverty by providing employment to the rural poor. This
scheme attempts at upliftment of the entire village community by taking up durable and long-lasting assets, like watershed development, afforestation, tank-desiltation, etc. These activities are both labour-intensive and lead to the creation of durable assets.

3.3.47 As can be seen, within a couple of years of the launch of the First Five Year Plan, National Extension Service (NES) Blocks were formed in every district of the country. Subsequently, Community Development Programme (CDP) was taken up for implementation.

3.3.48 The Blocks were placed under the charge of a Block Development Officer (BDO), with the hope that development would get the kind of thrust that it deserved. The BDO and the blocks became the focal point of each of the programmes of development and welfare of the Central and State Governments.

3.3.49 Each of the Plans had very laudable objectives in terms of poverty alleviation. While one Plan wanted to create a proper milieu for the poor, another sought the creation of a situation where the weaker persons are looked after and benefits of development are made to flow by planned investment in the under-developed regions and among the backward sections of the society.

3.3.50 A Plan stated that elimination of abject poverty would not be attained as a corollary to acceleration in the rate of growth of the economy alone. It would be necessary to launch a direct attack on the problems of unemployment, under-employment and massive low-end poverty.
3.3.51 Yet another Plan, while making an estimate of poverty in the country, fondly hoped that the growth process would bring down the level of poverty. It was at this stage that realization dawned on the planners that a multiplicity of programmes for the rural poor operated through numerous agencies need to be ended and replaced by one single integrated programme operated throughout the country. This was the main reason for the launch of IRDP.

3.3.52 A recent Plan document, while analyzing the results of the previous Plans, has praised the poverty alleviation programmes by stating that the process of economic growth and the anti-poverty programmes had made a significant dent in solving the problem of poverty in the country.

3.4 Planning during the Ninth Five Year Plan -

3.4.1 The Planning Commission of India has made certain very candid observations in the most recent Plan document, relating to the Ninth Plan, regarding the attempts at alleviating poverty during the previous Plans. Some of their comments are interesting and are described in the succeeding paragraphs –

3.4.2 Poverty eradication has been one of the major objectives of planned development in India. The magnitude of the problem is still quite staggering. Thirty six per cent of the Indian population was below poverty line (BPL) in 1993-94, the latest year for which the data are available and the absolute number of poor was 320 million, out of which 244 million (37 per cent of the rural population) lived in rural areas.
3.4.3 The incidence of poverty declined from 54.9 per cent in 1973-74 to 36 per cent in 1993-94. But the absolute number of poor did not decline much over this period of 20 years. There were 321 million poor in 1973-74 and 320 million in 1993-94; in the rural areas the corresponding numbers were 261 million and 244 million.

3.4.4 The main determinants of poverty are

(i) lack of income and purchasing power attributable to lack of productive employment and considerable underemployment and not to lack of employment;

(ii) a continuous increase in the price of food, especially foodgrains which account for 70-80 per cent of the consumption basket; and

(iii) inadequacy of social infrastructure, affecting the quality of life of the people and their employability.

3.4.5 Economic growth is important. Economic growth creates more resources and has the potential of creating more space for the involvement of the poor. But the involvement of the poor depends on the sources of growth and the nature of growth. If the growth is sourced upon those sectors of the economy or those activities which have a natural tendency to involve the poor in their expansion, such growth helps poverty eradication. Therefore, it
is important to source a large part of economic growth in agriculture, in rural non-agricultural activities and in productive expansion of the informal sector which all have high employment elasticities, as well as in an export strategy based on labour intensive exports.

3.4.6 It has been recognized that high growth of incomes is by itself not enough to improve the quality of life of the poor. Unless all the citizens of the country, and most particularly the poor, have certain basic minimum services, their living conditions cannot improve. These minimum services include among other things literacy education, primary health care, safe drinking water and nutritional security, universal primary education, nutrition to school and pre-school children, shelter for the poor, road connectivity for all villages and habitations, and the Public Distribution System (PDS) with a focus on the poor.

3.4.7 The Ninth Plan has attached special emphasis on the seven basic minimum services and will make all efforts to achieve a minimum level of satisfaction in providing these in partnership with the State Governments and the Panchayati Raj Institutions (PRIs).

3.4.8 Direct poverty alleviation programmes are important and will continue on an expanded scale in the Ninth Plan. But these programmes would be oriented towards strengthening the productive potential of the economy and providing more opportunities for involving the poor in the economic
process. Broadly, there would be schemes for income generation through supplementary employment, for the welfare of the poor in rural/urban areas and for a targeted PDS system to ensure that the poor have access to foodgrains at prices they can afford.

3.4.9 Poverty can effectively be eradicated only when the poor start contributing to the growth by their active involvement in the growth process. Implementation of the programmes should be increasingly based on approaches and methods which involve the poor themselves in the process of poverty eradication and economic growth. This is possible through a process of social mobilisation, encouraging participatory approaches and institutions and empowerment of the poor. In this the PRIs, the voluntary organisations and community based Self-Help Groups will be more closely involved.

3.4.10 The Integrated Rural Development Programme (IRDP) aims at providing self-employment to the rural poor through acquisition of productive assets or appropriate skills which would generate additional income on a sustained basis to enable them to cross the poverty line. Assistance is provided in the form of subsidy and bank credit. The target group consists largely of small and marginal farmers, agricultural labourers and rural artisans living below the poverty line. Priority in assistance is also given to the families belonging to the assignees of ceiling surplus land, Green Card Holders covered under the Family Welfare Programme and freed bonded labourers.
3.4.11 The IRDP has been successful in providing incremental income to the poor families, but in most cases the incremental income has not been adequate to enable the beneficiaries to cross the poverty line on a sustained basis mainly because of a low per family investment. Studies revealed that of the total beneficiaries assisted under the programme, 15.96 per cent of the old beneficiary families could cross the revised poverty line of Rs.11,000 (at 1991-92 prices), while 54.4 per cent of the families were able to cross the old poverty line of Rs.6,400 per annum. The analysis by income group of families revealed that in case of those within initial income of Rs.8501 – 11,000, 48.22% of beneficiary families could cross the poverty line of Rs.11,000 which is quite encouraging. The analysis of the family income of the beneficiaries revealed that a large percentage (57.34%) of the families had annual family income from assets of more than Rs.2000. The annual income from the asset was more than Rs.6000 in 29% cases.

3.4.12 The major constraint in the implementation of IRDP has been sub-critical investments which have adversely affected the Incremental Capital Output Ratio (ICOR) levels and thereby undermined the viability of the projects. Though the average per family investment has been rising steadily in monetary terms, in real terms the increase has been inadequate and in some cases sub-critical due to the inflationary trends and the increase in the cost of assets.
3.4.13 At the instance of the Ministry of Rural Development, the Reserve Bank of India appointed in 1993, a High Powered Committee to make an in-depth study of IRDP and recommend suitable measures for its improvement. The Committee was asked to review among other factors, the process of selection of appropriate income generating assets, credit structure, recovery of loans, and procedural matters in respect of obtaining loans, and efficacy of existing administrative structures of the District Rural Development Agencies (DRDAs). In consonance with the recommendations of the High Powered Committee, the new initiatives taken by Government under IRDP in the Eighth Plan included

(a) targeting the segment of literate unemployed youth below the poverty line for IRDP activities by giving them subsidy upto Rs.7500 or 50 per cent of the project cost

(b) promotion of group activities through enhancement of ceiling on subsidy to Rs.1.25 lakh or 50 per cent of the project cost (whichever is lower) for all group ventures involving at least 5 members

(c) back-ending of subsidy to prevent leakages in the administration of subsidy

(d) shifting the emphasis to financial targets and qualitative parameters from a perfunctory physical coverage of families and

(e) enhancing the limit of allocation to programme
3.4.14 Among the other steps taken to enhance the efficacy of the programme are abolition of the cut of line to enable all families below the poverty line to be assisted under the programme, targeting the investment per family at progressively higher levels each year, extension of the family credit plan to 213 districts of the country, enhancing the ceiling limit of collateral free loans to a uniform limit of Rs.50,000 with a view to easing the constraints faced by poor beneficiaries while taking loans from the banks, extension of the cash disbursement scheme to 50 per cent blocks in the country, decentralisation of the sanctioning powers for infrastructural projects below Rs.25 lakh and entrusting the banks with the task of identification of beneficiaries in about 50 districts on a pilot basis. These interventions had an impact on the average per family investment which rose from Rs.7889 in 1992-93 to Rs.15036 in 1996-97.

3.4.15 There was also an increase in the volume of credit mobilised by the banks during the successive years of the Eighth Plan period. Correspondingly, the subsidy credit ratio, which averaged 1:1.77 in the first three years of the Eighth Plan, rose to 1:1.96 in the fourth year and further to 1:2.17 in 1996-97. However, there are genuine reasons for the inability of the banks to meet the full credit requirements of IRDP beneficiaries. These include poor recovery of IRDP loans, lack of adequate rural banking infrastructure in certain areas and the weak financial performance of
3.4.16 There has been considerable diversification of IRDP activities since the inception of the programme. Initially, a majority of the beneficiaries under the programme subscribed to primary sector activities. In 1980-81 the sectoral composition of IRDP activities was heavily skewed towards the primary sector which had a sponsorship of 93.56 per cent, while the share of the secondary and tertiary sectors were 2.32 per cent and 4.12 per cent respectively. Over the years, the share of the primary sector has come down considerably and is currently around 55 per cent, while the shares of the secondary and tertiary sectors have increased proportionately to 15 per cent and 30 per cent respectively.

3.4.17 Inadequate development of infrastructure and insufficient forward and backward linkages and market facilities have been an area of concern under IRDP. In an attempt at filling up the critical infrastructural gaps and strengthening the linkages and marketing facilities, the allocation under IRDP towards the development of programme infrastructure was increased from 10 per cent to 20 per cent in all the States and to 25 per cent in the North Eastern States. Decentralisation in the sanctioning powers for infrastructural projects had already been given effect to in 1994-95. However, despite this enhanced provision for programme infrastructure under IRDP and the relaxation in sanctioning norms, the actual expenditure on infrastructural development was a mere 5 per cent to 7 per cent of the total allocation under the programme at the all-India level. There is,
therefore, a critical need to prepare a perspective infrastructural plan at the
district and block level and to ensure that the funds earmarked for
infrastructural development under IRDP are closely monitored and not
diverted elsewhere.

3.4.18 The Scheme of TRYSEM, a facilitating component of IRDP, aims at
providing basic technical and entrepreneurial skills to the rural poor in the
age group of 18 to 35 years to enable them to take up income generating
activities. The Eighth Plan had emphasised the importance of a proper
assessment of the training needs of the rural youth in relation to self and
wage-employment opportunities, quality of training and group training.
During the Eighth Plan, 15.28 lakh youth were trained under TRYSEM, of
whom 34.16 per cent took up self-employment and 15.05 per cent wage-
employment; while the remaining 50.79 per cent remained unemployed

3.4.19 With a view to strengthening this programme, several initiatives were
taken in the Eighth Plan which include, among others, an increase in the
stipend and honorarium rates; emphasis on professionalised training through
the established and recognised institutes like it is, Community Polytechnics,
Krishi Vigyan Kendras etc., exploring the possibilities of setting up
production groups from amongst TRYSEM trainees for undertaking
ancillary activities like manufacture and assembly of modern items of
production; utilisation of TRYSEM infrastructure funds for the
strengthening of Nirmithi Kendras (Rural Building Centres) sponsored by
HUDCO for training of youth under TRYSEM in the trades of low cost
housing and the setting up of mini-ITIs at the block level to strengthen the training infrastructure for the rural youth.

3.4.20 The TRYSEM programme was evaluated to know its impact. The main findings of the evaluation were as under:

i. Skill surveys were not carried out in 92 per cent of the districts to assess the potential skill requirements. This resulted in a mismatch of job skills to the extent of in 53.3 per cent.

ii. Of the total number of beneficiaries, who got training under TRYSEM, 47.19 per cent were unemployed after the training and 32.54 per cent took up self-employment after training of whom 12.41 per cent took up employment in trades other than those in which they were trained.

iii. A majority of the beneficiaries i.e. 66.52 per cent cited lack of funds as a major reason for not taking up self-employment independently after the training.

iv. A major proportion of TRYSEM trainees i.e. 53.57 per cent did not apply for loan under IRDP. Of the total beneficiaries, who applied for loan, only about 50 per cent were given assistance under IRDP upon completion of training.

v. 73.38 per cent of the beneficiaries could derive an average monthly turnover upto Rs.1000 as a result of self-employment taken up by them after the training.
vi. 63 per cent beneficiaries felt no improvement in their socio-economic conditions as a result of TRYSEM training.

3.4.21 There was a poor convergence of TRYSEM with IRDP. Only 3.88 per cent of the IRDP beneficiaries had received training under TRYSEM. It was also observed that the rural youth trained under TRYSEM were only interested in the stipendiary benefits they received during the course of training and therefore, had not utilised the knowledge gained under the programme for furthering their self-employment prospects. In practice, therefore, such expenditure on training had become infructuous because of an absence of linkages between the employment opportunities available and training provided. Clearly, TRYSEM had been a weak link in the overall strategy for self-employment in rural areas.

3.4.22 The SITRA was launched in July 1992, as a sub-scheme of IRDP. Under the scheme, a variety of crafts persons, except weavers, tailors, needle workers and beedi workers, are supplied with a kit of improved hand tools within a financial ceiling of Rs.2000, of which the artisans have to pay 10 per cent and the remaining 90 per cent is a subsidy from the Government of India. The supply of power driven tools, subject to a ceiling of Rs.4500, was also permitted under this scheme. Beyond this, any additional finance required by the artisans had to be provided through loans under IRDP. The rural artisans are trained under TRYSEM for which an age relaxation has been provided to them.
3.4.23 Since the inception of this scheme in 1992-93, 6.10 lakh toolkits have been distributed to rural artisans at an expenditure of Rs. 116.19 Crores. Reports indicated that the scheme has been well received by rural artisans. The more popular crafts under this scheme were blacksmithy, carpentry, stone craft, leather work, pottery and cane & bamboo work. Prototypes of improved tools in these crafts had been developed by the National Small Industries Corporation (NSIC), Regional Design and Technical Development Centres under the Development Commissioner, Handicrafts and other organisations. Studies have affirmed the positive impact of SITRA and also indicated that the income level of rural artisans have increased substantially with the use of improved tools.

3.4.24 The special scheme for Development of Women and Children in Rural Areas (DWCRA) aimed at strengthening the gender component of IRDP. It was started in the year 1982-83, on a pilot basis.

3.4.25 DWCRA is directed at improving the living conditions of women and, thereby, of children through the provision of opportunities for self-employment and access to basic social services. The main strategy adopted under this programme is to facilitate access for poor women to employment, skill upgradation, training, credit and other support services so that the DWCRA women as a group can take up income generating activities for supplementing their incomes. It seeks to encourage collective action in the
form of group activities which are known to work better and are more sustainable than the individual effort. It encourages the habit of thrift and credit among poor rural women to make them self-reliant. The programme also envisages that this target group would be the focus for convergence of other services like family welfare, health care, nutrition, education, child care, safe drinking water, sanitation and shelter to improve the welfare and quality of life of the family and the community.

3.4.26 Since the inception of the scheme till 1996-97, 1,87,918 DWCRA groups were formed at an expenditure of Rs.248.95 crore, covering 30,39,383 rural women. It was in the Eighth Plan that DWCRA received a fillip with the Government taking several initiatives to strengthen the programme. These include, among others, extending its coverage to all the districts of the country, increasing the revolving fund from Rs.15,000 to Rs.25,000, permitting the formation of smaller DWCRA groups in difficult terrain and remote areas, and permitting operation of joint accounts by the group organiser and another member of the group elected as treasurer of the group rather than the Gram Sevikas and the group organiser, so as to facilitate the DWCRA groups in managing their own affairs. The Child Care Activities (CCA) component was introduced in the DWCRA programme in 1995-96 with the objective of providing child care services for the children of DWCRA women. The Information, Education and Communication (IEC) component was introduced to generate an awareness among rural women about the development programmes being implemented for their upliftment and welfare. The Eighth Plan also saw the extension of the Community
Based Convergent Services (CBCS), a component of DWCRA.

3.4.27 In the implementation of DWCRA, some States have performed very well while in other States, the performance and impact of DWCRA has been relatively poor. In some States, several successful DWCRA groups have been formed and this has led to the empowerment of women in decision making on various social aspects that impinge on their daily life. The range of activities pursued by these groups are also fairly diverse. Some have started mini banks and have, thereby, reduced their dependence on the money lenders. Other groups are managing lands taken on lease. Quite a few have formed mini transport companies, having acquired autos, LCVs etc. on bank loans. The success of this programme has been attributed to two major catalysts namely, adult literacy among women and its culmination into a women’s movement and close involvement of the NGOs. There is a need to evolve an institutional mechanism for replicating the successful DWCRA groups throughout the country.

3.4.28 Yet, in the implementation of DWCRA several shortcomings have also surfaced which has stymied its successful and effective execution in some States. Several groups have become defunct over time. The reasons for these include, among others, are –

(a) improper selection of groups;

(b) lack of homogeneity among the group members;
(c) selection of non-viable economic activities which are mostly traditional and yield low income;

(d) the linkages for supply of raw material and marketing of production are either deficient or not properly planned as a result of which DWCRA groups have become vulnerable to competition. The District Supply and Marketing Societies have been weak outlets for the sale of DWCRA products;

(e) lack of institutional financial support, inadequate training, a non-professional approach and poor access to upgraded technological inputs have deprived DWCRA groups from diversifying into high value addition activities; and

(f) inadequacy of staff and their insufficient training and motivation has also affected the overall implementation of the programme.

3.4.29 Rural poverty is inextricably linked with low productivity and unemployment. Hence, it is imperative to improve productivity and increase employment in rural areas. An employment-oriented growth strategy would achieve this goal only in the medium and long run. In the short run supplementary employment will have to be provided to the unemployed and underemployed, during the lean agricultural season.

3.4.30 There are two major wage employment programmes namely the Jawahar Rozgar Yojana (JRY) and the Employment Assurance Scheme
3.4.31 The JRY was launched as a Centrally Sponsored Schemes (CSS) on 1st April, 1989 by merging the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEG). The main objective of the programme is the generation of additional gainful employment for unemployed and underemployed persons, both men and women, in the rural areas through the creation of rural economic infrastructure, community and social assets with the aim of improving the quality of life of the rural poor.

3.4.32 The JRY is targeted at people living below the poverty line. However, preference is given to Scheduled Castes/Scheduled Tribes and freed bonded labourers. Atleast 30 per cent of the employment is to be provided to women under the Yojana. In practice, however, this programme is self targeting. Given that employment is offered at statutory minimum wages for unskilled labour and that these wage rates are generally lower than the prevailing market wage rates, only those willing to do manual work for the prescribed wage rates would seek employment on these public works. While works under the scheme can be taken up during any part of the year whenever the need for generating employment is felt, these should preferably be started during the lean agricultural season but may continue thereafter, if necessary.
3.4.33 After three years of its implementation, i.e. in 1992-93, a review of the programme revealed that the per person employment generated was inadequate in terms of the requirement and did not provide enough income to the poor. It was also perceived that the resources under JRY were too thinly spread and adequate attention was not being given to the backward areas of the country. Accordingly, the strategy for implementation of JRY was modified from 1993-94 with the introduction of the Second Stream of JRY, specifically targeted at 120 identified backward districts in 12 States of the country, characterised by a concentration of the poor and the underemployed, with additional resources flowing to these districts. This modification in programme strategy was made to achieve the target of providing 90-100 days of employment per person in backward districts where there was a concentration of unemployed and underemployed persons. In addition, a Third Stream of JRY was introduced for taking up special and innovative projects aimed at preventing migration of labour, enhancing women’s employment and undertaking special programmes through voluntary organisations for drought proofing etc.

3.4.34 Studies on the JRY revealed that nearly 82.16 per cent of the available funds were spent on community development projects. Construction of rural link roads received the highest priority. The wage and non-wage component of the expenditure of JRY works undertaken by the village panchayats was of the order of 53:47 at the all-India level against the stipulated norm of 60:40. Muster rolls were maintained with 86.87 per cent of the village panchayats. The average wages paid per manday of the
unskilled workers were more or less on the lines of the minimum wages stipulated under the Act. Of the assets created, 76.96 per cent were created by the village panchayats and 76.11 per cent of these assets were found to be in a good condition. As many as 69.35 per cent of the workers were satisfied with the benefits they received under the JRY.

3.4.35 The studies have also brought into focus certain inadequacies in the programme. It was reported that 57.44 per cent of the elected panchayat heads had not been imparted any training for the implementation of JRY works. The share of women in employment generated under the programme was only 16.59 per cent and 49.47 per cent of the works could not be completed on time on account of shortage of funds. Other shortcomings observed were differentials in the wages paid to male and female workers, non-utilisation of locally available material in a large number of JRY works undertaken by panchayats and lack of discussion of the annual action plans in the Gram Sabha meetings etc.

3.4.36 In a comprehensive restructuring of the wage employment programmes on 1.1.1996, JRY was further streamlined. In the revised strategy, the First Stream of JRY was continued in its existing form but Indira Awaas Yojana (IAY) and Million Wells Scheme (MWS) which were till then sub-schemes of JRY were made independent schemes. The Second Stream of JRY was merged with the Employment Assurance Scheme (EAS) which was launched in 1993-94. The Third Stream of JRY with its thrust on innovative projects was continued. Accordingly, the JRY is now being
implemented in two parts i.e. (i) the Jawahar Rozgar Yojana (Main Scheme); and (ii) Special and Innovative Project.

3.4.37 Besides generating supplementary employment of a casual manual nature, the programme has contributed to the development of rural infrastructure through the creation of a wide range of community and social assets in a number of sectors. These included major irrigation works, soil conservation works, land development, drinking water wells, rural roads, construction of school buildings, panchayat gharas, mahila mandals, houses and sanitary latrines and social forestry. Proper integration between sectoral programmes and JRY, with dovetailing of funds, would help in the creation of better quality durable assets.

3.4.38 The Employment Assurance Scheme was launched on 2\textsuperscript{nd} October, 1993 in some identified backward blocks situated in drought prone, desert, tribal and hill areas, in which the revamped public distribution system was in operation. Subsequently, the scheme was extended to additional blocks which included the newly identified Drought Prone Area Programme (DPAP)/Desert Development Programme (DDP) blocks, Modified Area Development Approach (MADA) blocks having a larger concentration of tribals, and blocks in flood prone areas. The EAS has since been universalised to cover all the rural blocks in the country with effect from 1.4.1997.

3.4.39 The main objective of the EAS is to provide about 100 days of
assured casual manual employment during the lean agricultural season, at statutory minimum wages, to all persons above the age of 18 years and below 60 years who need and seek employment on economically productive and labour intensive social and community works. The works are to be selected by the District Collector and implemented through the line departments in such a manner that the ratio of wage to the non-wage component would stand at 60:40. Sectoral norms for execution of various works are-watershed development (50 per cent) and agro-horticulture, minor irrigation works (10 per cent) in DPAP and DDP blocks or water & soil conservation including afforestation, agro-horticulture and silvipasture (40 per cent), and minor irrigation works (20 per cent) in non-DPAP/non-DDP blocks. In addition, funds are also earmarked for link roads featuring in the Master Plans developed in the respective districts for this purpose (20 per cent) and public community buildings in rural areas as per the felt needs of the districts (20 per cent). The village panchayats are involved in the registration of persons seeking employment and the panchayats maintain these registers. They also coordinate and monitor the works. A maximum of two adults per family are to be provided employment under the scheme. The applicants, who register themselves for employment under the EAS, are issued family cards in which the number of days of employment are entered as and when such employment is given to them.

3.4.40 In India, though the small and marginal farmers, with holdings of less than 2 hectares, account for about 78 per cent of the total operational holdings, they only cultivate about 32.2 per cent of the cropped area. To increase the productivity of these holdings they must be ensured an assured
source of water supply. Ground water made available through wells is an important source specially in the remote areas of the countryside, where canal or tank irrigation is not feasible. Though the fixed capital investment in well irrigation is fairly high, it has many advantages such as flexibility in operation, dependability of source, timing of water deliveries and low conveyance losses.

3.4.41 The Million Wells Scheme (MWS) was launched as a sub-scheme of the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP) during the year 1988-89. After the merger of the two programmes in April 1989 into the Jawahar Rozgar Yojana (JRY), the MWS continued as a sub-scheme of JRY till December 1995. The MWS was delinked from JRY and made into an independent scheme with effect from 1.1.1996.

3.4.42 The scheme was primarily intended to provide open irrigation wells, free of cost, to individual, poor, small and marginal farmers belonging to Scheduled Castes/Scheduled Tribes and freed bonded labourers with a 20 per cent earmarking of JRY funds. Tubewells and borewells are not permitted under the Scheme. Where wells are not feasible due to geological factors, other minor irrigation works can be undertaken such as irrigation tanks, water harvesting structures as also development of land belonging to small and marginal farmers. From the year 1993-94 the scope of the MWS has been enlarged to cover non-Scheduled Castes/non-Scheduled Tribes small and marginal farmers who are below the poverty line and are listed in
the IRDP register of the village. The sectoral earmarking which was 20 per cent upto 1992-93 had also been raised to 30 per cent from 1993-94 with the stipulation that the benefits to non-Scheduled Castes/Scheduled Tribes would not exceed one third of the total funds utilised during the year.

3.4.43 There has been no evaluation or impact study conducted in the field for the MWS. Yet, on the basis of the feedback available from certain parts of the country, this programme achieved considerable success in certain districts in Bihar, Orissa, Gujarat and Rajasthan. In these areas, the MWS has played a significant role in transforming single cropped dry land areas held by farmers of the target group into double cropped lands, leading to increase in agricultural output and incomes. Yet, such successes have not been uniformly reported across the country. In States where the incidence of tubewell irrigation is widespread and there is a wide network of canal irrigation systems, the programme of open dug wells is a non-viable option. Similarly, in Kerala the small size of the land holdings of the small and marginal farmers gives the scheme a limited potential. States have also been permitted to utilise the allocations made under MWS for other schemes of minor irrigation such as irrigation tanks, water harvesting structures and also for the development of land belonging to the small and marginal farmers.

3.4.44 Field studies in various parts of the country have identified several factors which have posed as impediments to the effective implementation of this scheme. These include, among others
(a) construction of wells without proper hydro-geological surveys;

(b) a declining water table and its continuous depletion by overuse of pumping sets resulting in large tracts falling in the dark/grey zones which indicate already dangerous levels of depletion of ground water and saturation of utilization of the resource;

(c) non-availability of eligible persons in the target group;

(d) limited success in rocky and sandy strata; and

(e) distance between wells affecting the rate of discharge.

3.4.45 The programme has also been hamstrung by inadequate linkages. There has been a failure on the part of the block officers and the banks in providing lifting devices under IRDP and other programmes, thus rendering the investment in open dug wells infructuous. In some cases, though the wells have been dug and are working, their full potential has not been realised because of a lack of extension support from the agricultural department.

3.4.46 The National Social Assistance Programme (NSAP) came into effect from 15th August, 1995. The programme represents a significant step towards the fulfilment of the Directive Principles in Articles 41 and 42 of the Constitution through the enunciation of a National Policy for social assistance benefits to poor households in the case of old age, death of the primary breadwinner and maternity. It is a Centrally Sponsored Scheme with
100 per cent Central assistance provided to States/UTs.

3.4.47 This programme has three components, namely

(i) National Old Age Pension Scheme (NOAPS);

(ii) National Family Benefit Scheme (NFBS); and

(iii) National Maternity Benefit Scheme (NMBS)

- all three components are targeted at people living below the poverty line. Under the National Old Age Pension Scheme (NOAPS), old age pension of Rs.75 per month is provided to persons of 65 years and above who are destitutes. The National Family Benefit Scheme (NFBS) provides a lump sum family benefit of Rs.10,000 to the bereaved household in case of the death of the primary bread winner irrespective of the cause of death. This scheme is applicable to all the eligible persons in the age group 18 to 64. Under the National Maternity Benefit Scheme (NMBS) there is a provision for payment of Rs.500 per pregnancy to women belonging to poor households for pre-natal and post-natal maternity care up to the first two live births. This benefit is provided to eligible women of 19 years and above.

3.4.48 In providing social assistance benefits to poor households in cases of old age, death of the primary bread winner and maternity, the NSAP supplements the efforts of the State Governments with the objective of ensuring minimum national levels of well-being.
3.4.49 The NSAP provides opportunities for linking social assistance package to schemes for poverty alleviation and provision of basic minimum services. In fact, that old age pension can be linked to medical care and other benefits aimed at the aged beneficiaries. The Integrated Rural Development Programme/Jawahar Rozgar Yojana assistance may be provided in addition to the family benefit for the families of poor households, who suffer the loss of the primary bread winner. Maternity assistance can be linked to other programmes of maternal and child care.

3.4.50 Despite attempts at land reforms over successive Plan periods, the basic character of the agrarian economy has not undergone any structural change. The pattern of land distribution is highly skewed, with a high concentration of land in the hands of a few land owners on the one hand and the growing number of marginal and sub-marginal farmers on the other. Fragmentation of land holdings continues on a large scale and only a few States like Punjab, Haryana, Uttar Pradesh and parts of Maharashtra have been able to successfully undertake a programme of consolidation of holdings. Agricultural tenancy, which was abolished in most of the States by various enactments in the post-Independence era, continues unabated though it is largely concealed. In the wake of liberalisation, several State Governments have modified their land ceiling laws so as to exempt orchards, fish ponds, etc., from the purview of land ceilings. There is also a move to make suitable changes in tenancy regulations to attract private corporate investment in agriculture. Hence, it is necessary to reconsider the
issue of land reforms, particularly from the point of view of the poor, as access to land is still a major source of livelihood in rural India. In fact, it has been argued that the need for poverty alleviation programmes has arisen because the land reforms have not been implemented in a systematic way. The experience of several countries in East Asia shows that land reforms, leading to structural equity in the distribution of land, are an essential prerequisite for economic development through agricultural transformation. In addition, the efficiency of land use and land management, and protection of the land rights of the tribals and women have assumed great significance in the context of the changes that are taking place in rural India.

3.4.51 The continued importance of land reforms was recognised in the previous Plan, with the abolition of intermediaries, redistribution of ceiling surplus land, tenancy reforms providing security of tenure to tenants and share croppers, consolidation of holdings and updating of land records as the main objectives of the land reform policy. However, only limited success was achieved with respect to these objectives in the Plans.

3.4.52 At the end of the Seventh Plan, out of the 72.2 lakh acres of land declared surplus, only 46.5 lakh acres had been distributed. At the end of the Eighth Plan, out of the total 74.94 lakh acres declared surplus, 52.13 lakh acres had been distributed. In other words, during the Eighth Plan only 6-7 lakh acres were redistributed. Further, 12.4 lakh acres were under disputes pending in courts and 19.59 lakh acres were not available for distribution because they were unfit for cultivation or reserved for public purposes or for
other miscellaneous reasons. In fact, only 59,000 acres were available for redistribution. Of the Bhoodan land donated, 53 per cent was distributed, accounting for 24.52 lakh acres. In addition, 142.87 lakh acres of wastelands were distributed among 88.5 lakh beneficiaries.

3.4.53 Similarly, in the area of tenancy reforms very little progress has been made, after the initial abolition of ‘zamindari’ and the transfer of title to owner-cultivators in the immediate post-Independence period. The successful implementation of tenancy laws has been confined to West Bengal, Karnataka and Kerala. In fact, in the Eighth Plan there was no progress in respect of conferment of rights on tenants and therefore the issue of tenancy reforms is still illusory, but requires tackling.

3.4.54 Consolidation of holdings has taken place in very few States. While 15 States had enacted appropriate legislation, Andhra Pradesh, Tamil Nadu, Kerala, Pondicherry and the North-Eastern States do not have any laws for consolidations of holdings. Several States like Bihar, Maharashtra and Rajasthan have suspended the programme. In fact, only in Uttar Pradesh, 900-1000 villages are being covered annually.

3.4.55 There is evidence of considerable alienation of tribals from their land. As per the latest available estimates, 4.6 lakh cases of tribal land alienation covering 9.2 lakh acres have been registered. Of these 2.7 lakh cases covering 6.3 lakh acres have been disposed of in favour of tribals but
physically an estimated 4.7 lakh acres had been restored to them. In other cases, reconciliations are being effected.

3.4.56 During the Ninth Plan period, direct poverty alleviation programmes will continue on an expanded scale in the Ninth Plan. But these programmes would be oriented towards strengthening the productive potential of the economy and providing more opportunities for involving the poor in the economic process.

3.4.57 The Integrated Rural Development Programme (IRDP) would continue to be the major self-employment programme targeted to families living below the poverty line in the rural areas of the country. In the Ninth Plan it would be implemented through an integrated approach under which the existing schemes of Training of Rural Youth for Self-Employment (TRYSEM) and Supply of Improved Toolkits to Rural Artisans (SITRA), Development of Women and Children in Rural Areas (DWCRA) and Ganga Kalyan Yojana (GKY) would be subsumed into the main programme.

3.4.58 To facilitate higher levels of investment under the programme, there would be a strategic shift under IRDP from an individual beneficiary approach to a group and/or cluster approach. As part of the group approach, the focus of IRDP would be on the formation of Self-Help Groups (SHGs) which would be the catalyst for organising the poor. The cluster approach would focus on the identification of a few specified viable activities based
on the local resource endowment and occupational skills of the people of that area. The IRDP will also aim at diversifying the investments into high-value-addition sectors and non-traditional activities which have a market potential. The financial institutions would play a more significant and dynamic role by enhancing the credit flows through a continuous line of credit, instead of a one-time loan and would render constructive assistance to the beneficiaries. This would help them to increase returns on their investments. The IRDP would service the beneficiaries through a package approach, wherein the beneficiary would have access to credit, training as per requirements, upgradation of technology, delivery of essential inputs and marketing tie-ups in an integrated manner. Presently, under the IRDP, training under TRYSEM is provided as an isolated input and there has been little attempt to make a proper assessment of opportunities where skills could be more gainfully utilised. Hence, the new holistic approach would overcome some of the inherent shortcomings which have undermined the success of the programme.

3.4.59 In view of the near complementarity in the ongoing wage employment schemes, Jawahar Rozgar Yojana (JRY) and Employment Assurance Scheme (EAS) will be rationalised. In the revised format JRY will be confined to the creation of rural infrastructure at the village panchayat level in consonance with the felt needs of the community. To the extent that the works undertaken under JRY would be largely labour intensive, supplementary wage employment would be generated in the process of infrastructure creation. The EAS would be the major wage employment programme which would contribute significantly to the
provision of the mandated 100 days of casual manual work to those who register for employment under it. As the EAS has been universalised, specific measures would be taken to ensure that the benefits reach the poor and more backward districts of the country.

3.4.60 Land reforms will continue to be an important policy instrument for alleviating rural poverty. Access to land is still a major source of livelihood and its possession enhances the status of people in rural society. A proper implementation of land laws and policies would lead to a restructuring of the agrarian economy in a way conducive to higher rates of agricultural growth but with greater equity in the distribution of gains from it. While the ingredients of the land reform policy would continue to be the same as before, the focus would shift to a few critical areas. All efforts would be made to detect and redistribute the ceiling surplus land and to enforce the ceiling laws stringently. Given that small and marginal farms are viable, both from the efficiency and equity points of view, it is desirable that the existing ceiling limits are strictly enforced. More importantly, tenancy reforms would have to be taken up especially in States characterised by semi-feudal modes of production. The rights of tenants and sharecroppers need to be recorded and security of tenure provided to them. Leasing in of land should be made permissible within the ceiling limits. The poor should be given access to wastelands and common property resources. The land rights of women must be ensured. This would require amendment of the existing legislations in some States to ensure women’s rights with regard to inheritance of both land owned as also under tenancy. Updating of land records would have to be expedited as this is a necessary prerequisite of any
effective land reform policy. Since land reforms is a State subject the States would have to be persuaded to take up these measures.

3.4.61 While the implementation of poverty alleviation programmes would be made more effective in the Ninth Plan, the extant non-monetary policies and institutional arrangements which adversely affect the interests of the poor would also be suitably addressed. In this context, the Ninth Plan will identify those laws, policies and procedures which are anti-poor and take the initiative in exploring whether some of these could be suitably modified in favour of the poor.

3.4.62 In the Ninth Plan, the poverty alleviation programmes would be more effectively integrated with area development programmes and the various sectoral programmes within the umbrella of Panchayati Raj Institutions (PRIs). The PRIs will function as effective institutions of local self-government. These would prepare the plans for economic development and social justice through the District Planning Committees and implement them. The State Government would have to devolve administrative and financial power to the PRIs which fall within their purview as per the Eleventh Schedule of the 73rd Constitutional Amendment Act, 1992. In addition, the voluntary organisations (VO) will have to play a more dynamic role in empowering the poor through advocacy, awareness generation and formation of SHGs.
3.4.63 The IRDP would continue to be the major self-employment programme, targeted towards families living below the poverty line in the rural areas. However, in the Ninth Plan, the focus would be on pursuing an integrated approach under IRDP by subsuming the existing sub-schemes of Training of Rural Youth for Self-Employment (TRYSEM) and Supply of Improved Toolkits to Rural Artisans (SITRA), Development of Women and Children in Rural Areas (DWCRA) and Ganga Kalyan Yojana (GKY) into the main programme. This integration of schemes is necessary to develop the appropriate forward and backward linkages to achieve a synergistic complementarity in the overall implementation of the programme.

3.4.64 Furthermore there would be a strategic shift from an individual beneficiary approach to a group and /or cluster approach.

a. To facilitate this process Self Help Groups (SHGs) will be formed under IRDP and steps will be taken to nurture these groups to enable them to function effectively as well as to choose their economic activity. Efforts would be made to involve women members in each SHG. Besides, formation of exclusive women groups will also continue as at present under DWCRA. It is proposed that group ventures which involve at least five beneficiaries would be assisted by making available 50 per cent of the project cost subject to a ceiling of Rs.1.25 lakh. This enhanced level of investment would facilitate economies of scale and improve recovery.

b. Alternatively, a cluster approach would be preferred wherein a few
specified activities are identified for assistance in an area. This would necessitate the formulation of a menu of activity-based project profiles in different sectors to suit the local resource endowment and the occupational skills of the local people. Accordingly, each DRDA would set up four to five activity clusters. Appropriate infrastructure and technology inputs would be built into the project.

c. The Family Credit Plan would be extended to all the districts of the country in a phased manner. The feedback from the States suggests that this strategy has met with reasonable success and has raised investment levels.

3.4.65 One of the major constraints in the implementation of IRDP has been sub-critical investments, which have adversely affected Incremental Capital Output Ratios (ICOR) and, thereby, undermined the viability of the projects. Recognising that the level of investment is the most crucial variable in determining the incremental income generated under IRDP, the credit flows and the average level of investment per family for the Ninth Plan would aim at achieving enhanced levels of investment in the range of Rs.25,000-Rs.50,000 depending on the estimate of the poverty line and the poverty gap. These higher levels of investment will give the beneficiary the necessary financial support for diversifying into high-value-addition sectors and non-traditional activities which have a market potential.

3.4.66 In this effort at achieving higher investment levels, the financial
institutions would have to play a more significant and dynamic role by enhancing credit flows and rendering constructive assistance to the beneficiary making their investments viable under this programme. Adoption of simplified procedures by financial institutions would facilitate the BPL families in accessing groups loans under IRDP.

3.4.67 The IRDP will seek to develop close linkages with the credit mechanism in such a manner as would promote repeated/multiple doses of credit rather than a one-time loan for the beneficiary. The emphasis, therefore, would be on establishing a continuous line of credit for the beneficiary, wherein it would be possible for the borrower to obtain need-based additional credit for working capital purposes, meeting unforeseen expenditure related to proper maintenance of assets etc. which would have a bearing on the viability of the project so as to sustain credible levels of income generation.

3.4.68 Experience has shown that the IRDP has been relatively more successful in land-based activities. In recognition of this fact, purchase of land was made a permissible activity under the programme. For land-based activities, besides providing assistance for purchase of inputs to enhance the productivity of land, there exists a potential for diversifying into other allied activities, which have a high value-addition, such as sericulture, aquaculture, horticulture and floriculture, on the existing lands of the small and marginal farmers as well as on land leased by the landless. In addition to these activities, SHGs would be given pattas for development of wastelands,
social forestry, soil conservation and watershed projects. Common property resources would also be allocated to SHGs in the villages on a long-term basis for eco-sensitive resource management. There is also a potential for allotting nurseries of the forest department to these groups for management. In all these, interest of women’s groups would have to be protected. Usufruct rights of women on minor forest produce would have to be ensured legally and administratively and assistance provided to them for purchase or leasing in of land for joint management.

3.4.69 Yet, it must be recognised that land is a limited resource and that the distribution of land holdings remains highly skewed. Hence, the need for exploring the potential of the non-farm sector is crucial. It cannot be gainsaid that the non-farm sector in the rural areas has witnessed both growth and diversification in the past few years. Around 50 per cent of the IRDP investments are now made in the secondary and tertiary sectors, based on local resources and local requirements. These include processing industries, handlooms and handicrafts. Again, in most villages there is scope for tailoring and ready-made garments, chemist shops, woodcraft, country tiles, general store etc. In addition, in villages of a reasonable size, other business/service ventures like flour milling, motor rewinding, cycle repair etc. could also be promoted under IRDP. Greater emphasis should be placed on developing rural industries which would catalyse the overall development of that area. In a situation of an ever changing pattern of demand, emergence of new products and technologies in a dynamic and growing economy, an attempt would be made to integrate the IRDP activities, particularly those in the Industry Services and Business (ISB) sector with the market. This task
would be entrusted to a team of experts/professionals, who would prepare sectoral and micro plans for identifying the thrust areas and activities for working out necessary linkages with other departments/agencies.

3.4.70 The artisans in the rural areas, despite their rich heritage and skills, largely belong to the poverty group. The scheme for Supply of Improved Toolkits to Rural Artisans is directed to this particular target group. In the Ninth Plan, to enable the rural artisans to take advantage of the new opportunities thrown up by the market, there has to be a quantum jump in their skills and productivity to make their activities viable and profitable. It is also necessary to support them with appropriate product designs and training, improved technology on the one hand and professional management and marketing support on the other. In other words, the rural artisans should be serviced through a package approach wherein the distribution of improved toolkits is supplemented with the supply of credit and raw material, marketing support and upgradation of existing technology. The timely and adequate supply of trade specific toolkits would be given added attention. While deciding the source for supply of toolkits, quality and cost considerations, alongwith the post-delivery services offered by the manufacturer would be of considerable significance. It is important to constantly upgrade the design of the toolkits.

3.4.71 In the process of designing and manufacturing these trade-specific toolkits, there would be constant consultations and dialogue with groups of artisans and reputed craftsmen in that particular trade. To broadbase the
source for supply of toolkits some master craftsmen would also be trained in
the manufacture of improved tools/toolkits. An effort would also be made to
develop capabilities for design and upgradation of improved toolkits by
artisans themselves. There are pockets of rural technology which have
survived the onslaught of modern technological innovations by virtue of
their sturdiness and locale-specific utility. These would be identified and
replicated elsewhere. For the dissemination of technology the State
Governments, in collaboration with the manufacturing agencies, would
undertake promotional activities by organising exhibitions at several
locations and on important occasions.

3.4.72 Individual artisans would continue to be covered with the supply of
toolkits in traditional crafts. It was also proposed to cover the rural artisans
through a cluster approach and to provide/saturate each cluster with trade-
specific toolkits and related inputs in a package. In the implementation of
this group cluster approach, due emphasis would be given to the formation
of women artisan groups.

3.4.73 Availability of infrastructure facilities is an essential prerequisite for
the success of IRDP activities. Substantial investments in programme
infrastructure would be ensured, through a larger apportionment of funds, in
consonance with the enhanced provisions of 20 per cent for IRDP
infrastructure (and 25 per cent in the North Eastern States). There would be
a special emphasis on infrastructure created under ISB sector with the setting
up of service-cum-facility workshops at convenient places in the rural areas.
These could provide common facilities in the use of machines and equipments to the rural artisans as also for repairing electrical gadgets of various types, agricultural implements, automobile parts and articles of common use. These workshops would also be set up in the tribal areas so that the process of initial value-addition to minor forest produce could be undertaken by the tribals themselves. Funding for infrastructure would also include the setting up or upgradation of technology resource centres.

3.4.74 Provision of marketing facilities is an important aspect of infrastructural development. In the Eighth Plan detailed guidelines were issued for setting up District Supply and Marketing Societies (DSMS) with the objective of providing integrated services to IRDP beneficiaries in the cottage and rural industries sector for the supply of raw materials, marketing of surplus products, information on technological upgradation and extension of credit support. Whereas some State Governments have taken the initiative in this regard, by and large the DSMS or similar bodies do not have much of a presence in most areas. In the Ninth Plan alternative strategies would be formulated for developing a suitable marketing infrastructure under IRDP. These would include -

(i) provision of transport arrangements for carrying IRDP products to rural/urban markets;

(ii) introduction of insurance cover to mobile sellers;

(iii) provision of better storage facilities;

(iv) setting up and revamping of District Supply and Marketing
(v) sale of IRDP products through Khadi & Village Industries Commission (KVIC) outlets, State Emporia etc., besides networking with DRDA showrooms/markets;

(vi) setting up of quality control centres and consultancy centres which the beneficiaries could approach for advice for improving the quality and standard of their products;

(vii) involvement of private sector in marketing by adoption of better packaging techniques, design, input, quality control, brand name etc.; and

(viii) launching of a suitable advertisement campaign for IRDP products including organisation of exhibitions, melas. Furthermore, the potential of rural haats as a rural marketing outlet for IRDP products would be fully exploited.

3.4.75 There are certain areas in the country which have a very poor banking infrastructure. These States would be given special thrust by evolving innovative strategies and programmes to take care of the unbanked areas.

3.4.76 However, while diversifying the rural economies in high-productivity sectors, provision of adequate training facilities and upgradation of skills would be given primacy. As we have seen, the TRYSEM programme has been the weak link in the overall strategy for self-employment in rural areas.
In the Ninth Plan, therefore, training would be made an integral component of IRDP. This integration would reduce to a great extent, the area-skill mismatch as the training would only be imparted in those trades/occupations which have a market potential. Yet, training would not be made compulsory as there are certain trades/activities under IRDP which do not require this input.

3.4.77 To strengthen the content and design of the training curriculum, the training institutes would have to constantly upgrade their syllabi in tune with the rapid changes in the job market. A basic foundation course would be a critical ingredient of the training curriculum which would make the trainees aware of simple accounting procedures, book keeping techniques and procedures in financial management, information on how to approach the banks and other financial institutions for loans, where to access the latest technology etc. Training would be given a sharper employment focus wherein the training content would be compatible with the area-specific ground realities and would be specifically imparted in those trades and activities which have a market orientation/potential and which would ensure the beneficiary sustained employment.

3.4.78 The quality of training would be improved. Inadequacy of proper infrastructural support has posed as a bottleneck in this effort. While the emphasis would continue to be on imparting training through the established and recognised training institutes like ITIs, Community Polytechnics, Krishi Vigyan Kendras, etc., the training infrastructure in these professionalised
training institutes would be suitably strengthened. Special thrust will be given to the creation of training opportunities for women via strengthening of women ITIs, women's wings in general ITIs and women polytechnic. It is also necessary to upgrade the training skills of the trainers in the various government institutions imparting training to IRDP beneficiaries. The existing craft training centres and skill development institutes etc. would be revamped to cater to the needs of the changing situations. In those blocks where there is a concentration of unemployed youth and where there are no reputed training institutes in the vicinity, mini-ITIs should be set up, but only very selectively. Smaller private institutions and craftsmen will be engaged only where institutional support is not available.

3.4.79 In addition, a more effective liaison and interface between the State Governments, DRDAs and the formal/informal private sector/NGOs is required in order to identify the available employment opportunities in a region and develop training modules accordingly. Efforts would be made to establish a direct linkage between ITIs and industries in the areas where the youth could either be employed directly or could set up ancillaries to cater to the industrial demand. A similar linkage could be established between ITIs and exporters/export houses on the lines similar to gem cutting training in Gujarat. Such linkages are possible in rural hinterlands of towns/urban agglomerations. It was also proposed to develop a Management Information System (MIS) through which important training institutes of relevance for IRDP throughout the country are identified and networked. This would give some idea of the areas deficient in the training infrastructure and would indicate where future investment should flow for meeting the training
3.4.80 With a view to ensuring that the benefits under the programme reach the more vulnerable sections of the society, the Ninth Plan would continue with the assured coverage of atleast 50 per cent for Scheduled Caste and Scheduled Tribe families, 40 per cent for women and 3 per cent for the physically handicapped. Experience in the implementation of IRDP suggests that programmes focussed on women, or in which women have played a dominant role, have performed better. The DWCRA programme has been an excellent vehicle for extending IRDP credit support for women beneficiaries in some States. The group strategy would, thereby, become the main plank for achieving the stipulated reservation for women over the next few years.

3.4.81 In the Ninth Plan social mobilisation will receive a special thrust. Initiative will be taken to build and strengthen the organisations of the poor with the objective of enhancing their capabilities. In this process voluntary organisations would have to play an important role in empowering the poor through advocacy, awareness generation and social mobilisation. As social animators and rural organisers they would help the poor to form SHGs in order to take advantage of the policies and programmes being implemented by the Government for their economic betterment. A voluntary organisation or a technology group could lend support to group activities by ensuring training, technological upgradation and convergence of various schemes. In addition, the DRDAs and PRIs would provide support for capacity building and provide access to credit, technology and markets to SHGs. A cadre of
para professionals from within the community would be created to enhance the capability of the SHGs and help the community to access the facilities and services meant for them.

3.4.82 It is proposed that the JRY would be confined to the creation of rural infrastructure at the village panchayat level. To the extent that the works would be largely labour-intensive, supplementary wage-employment will be generated and this would be monitored without the existing stipulation of a wage-material ratio of 60:40.

3.4.83 The EAS would be the major wage-employment programme. The funds at present flowing to the block and district levels under JRY would also be rediverted to the EAS, augmenting the resources under this scheme. However, certain precautionary measures would have to be taken in order to make the scheme effective in reaching the poor and the more backward areas of the country, where there is a concentration of the poor and underemployed. Towards this end, it is proposed that funds released to States should be made on the basis of the incidence of poverty in order to prevent the better-off States from cornering a larger share of the funds. To elaborate, in progressive States characterised by higher levels of agricultural productivity, higher per capita income and/or high literacy rates there is little real demand for casual manual work on public works. Yet, in these States demand is artificially created as, in the lean agricultural season, labour is willing to work on public works at the prevailing minimum wage rates which are relatively high. In this way, the State’s specific real demand is not
being addressed and in fact, there is a diversion of resources from the relatively poorer States to the more progressive ones. In such a situation, EAS would cease to be a genuine demand-driven scheme and, therefore, suitable measures would have to be taken to ensure that scarce resources reach the targeted poor and the more backward areas of the country.

3.4.84 Presently, under EAS the funds are earmarked for specific activities in given proportions. Fifty per cent is earmarked for watershed-related activities. It is argued by many that it may not be fair to pre-empt the bulk of the resources for watershed-related activities being implemented in a few villages to the relative neglect of other villages in a block. In the spirit of democratic decentralised planning, the choice of activities must be left to the Panchayat Samities/Zilla Parishads which can select from the various activities/works envisaged in their block/district plans. However, at least 40 per cent of the expenditure would have to be on watershed-related activities in DPAP areas as water conservation through construction of water harvesting structures has become one of the priorities of planning, particularly in the plateau and rocky areas where water tables are falling rapidly and ground water aquifers need recharging. It may be worthwhile to spell out that the works should be labour-intensive with a 60:40 ratio of wages and materials and should lead to the creation of durable assets and rural infrastructure.

3.4.85 In short, EAS will be the single wage-employment programme operating throughout the country, while JRY will be confined to the creation
of durable community assets at the village level. So far, under the JRY a
certain quantum of funds was earmarked for Special and Innovative Projects.
However, experience gained from the implementation of this component of
JRY has indicated that most of the projects were not really innovative in
nature but merely a replication of the existing programmes on traditional
lines. Hence, there is no need to continue a separate scheme for Special and
Innovative Projects.

3.4.86 In view of its importance in providing a source of irrigation to the
target group, the MWS would continue in the Ninth Plan to provide for
maximisation of agricultural output. Simultaneously, the level of ground
water would have to be maintained by the adoption of suitable recharging
practices so that the small and marginal farmers can derive maximum
benefits from their small holdings.

3.4.87 Until recently, the focus under the MWS was on the creation of
employment, with the secondary objective of providing a source of
irrigation. This situation has now been modified by delinking the MWS from
the JRY and repositioning it as a beneficiary-oriented scheme of irrigation
for enhancing agricultural productivity levels of the small and marginal
farmers.

3.4.88 There were suggestions from some States to permit the construction
of field channels in conjunction with the digging of wells. This is
particularly significant in view of the fact that water lifted from the wells is conveyed through open unlined earthen channels by most of the farmers, leading to conveyance losses of about 14 to 19 per cent. Necessary control and diversion structures for open line channels may be provided to avoid wastage of water. The channels could consist of structures of soil, cement or even prefabricated cement concrete.

3.4.89 The NSAP was introduced as a social security programme for the welfare of the poor households. However, it must be recognised that it is not a poverty alleviation scheme but more in the nature of a welfare programme and hence, has a limited role in the overall strategy of poverty alleviation. Moreover, the financial assistance provided to poor households in the case of old age, death of primary bread winner and maternity is in the nature of transfer payments and therefore, it should really form a part of non plan expenditure. Furthermore, the performance under this programme indicates that it has not been effective in reaching the intended beneficiaries. Moreover, several States have their own schemes of old age pension and maternity benefit for which provisions are made in the States Plans and this should continue to be within their purview, as it is a State subject. Yet, as this programme has now been introduced as a Centrally Sponsored Scheme it would continue in the Ninth Plan but would require a review thereafter.

3.4.90 In the Ninth Plan the issue of agrarian restructuring and land reforms will continue to receive the top most priority in the expectation that the States would be able to facilitate changes that would make for more efficient
agriculture, leading to increases in both output and employment. This process will, in turn, contribute to the achievement of a higher rate of economic growth with social justice.

3.4.91 The main components of the land reform policy were –

(i) detection of ceiling surplus land,

(ii) distribution of the existing surplus land,

(iii) tenancy reform,

(iv) consolidation of holdings,

(v) providing access to the poor and the landless on common lands and wastelands,

(vi) preventing the alienation of tribal lands and

(vii) providing land rights to women.

However, for the successful implementation of land reforms, updating of the land records, both by traditional methods and through computerisation, was also a prerequisite.

3.4.92 With the introduction of the Land Ceilings Act in 1972, the ceiling on land holdings was introduced in almost all the States with the exception of some North-Eastern States, though the ceiling limit varied depending on the quality of the land. The ceiling surplus land was to be distributed among the
landless poor. In this way, land ceiling was considered an important instrument for reducing disparities in the ownership of land and as a way of increasing productivity through greater utilisation of labour. However, in practice, the extent of land declared surplus was very limited. The total area declared surplus is estimated at less than 2 per cent of the total cultivated area. Further, distribution of surplus land has been limited in several States because of institutional and legal rigidities. There are other reasons too which have led to the poor performance with regard to land ceiling. Most importantly, the ceiling surplus land continues to exist in a concealed way particularly in areas which have been covered by irrigation in the post-1972 era. Further evidence suggests that there are areas where land owners have land in excess of ceiling limits which can be mopped up if the programme for unearthing it is pursued vigorously. Also, in order to circumvent the ceiling laws, benami and furzi transfers are effected which need to be identified. There is clearly a need to detect the land falling within the ceiling limits and redistribute it.

3.4.93 In the wake of the economic liberalisation in certain States like Karnataka, the industry and the large farmers are being given exemption from ceiling laws without seeking the permission of the Government of India. This would certainly go against the interest of the poor as it would increase landlessness and depress agricultural wages. Hence, this issue requires close examination, before such exemptions are given.

3.4.94 Small farms are efficient in terms of yields and returns per unit of
area. However, they are often not able to generate adequate income to sustain further investment. Therefore, there is a need for both horizontal and vertical diversification of small farms. An analysis of Indian Council of Agricultural Research (ICAR) data of national demonstrations shows that there are large technological/yield gaps, particularly in the backward regions, which, if fully exploited, would enable the marginal and small farmers to generate incomes well above the sustenance level, subject to crop rotation, cropping pattern, yield responses of technological adoption, etc. In fact, in irrigated areas, the small and marginal farmers are viable because of their capacity to produce two or three crops a year. In the case of rainfed agriculture, a breakthrough in dryland farming is required with respect to the traditional cereal crop that can grow in these areas. Alternatively, there is a possibility of shifting to other high-value crops like fruits, vegetables, mulberry, etc. Other support systems would have to be appropriately developed to provide facilities for credit, marketing, storage and transportation of the perishable high-value crops. In fact, a change in the cropping pattern away from cereals to some high-value crops, would certainly make the small and marginal farmers viable. Also, given the increasing market demand for certain products, sericulture, horticulture and aquaculture have a great potential. In Maharashtra and West Bengal a small piece of land yields adequate returns from horticulture and aquaculture respectively. This provides further justification for ensuring that ceilings are strictly enforced as small farms can be perfectly viable in the given context.

3.4.95 As observed in the UNDP Human Development Report 1990, as land is redistributed from big to small farms, not only the family labour per
hectare can increase sharply, so, can hired labour also. For both the reasons, the employment situation improves even for those, who remain landless after the land reform. The main conclusion from this is that an agricultural strategy centered on small farms, rather than large, simultaneously increases the social efficiency of resource use in agriculture and improves social equity through employment creation and more equal income distribution, that small farms generate.

3.4.96 While there appears to be a rationale for reducing the existing ceiling limits further with a view to alleviating poverty of the growing number of rural landless poor, this is unlikely to have the support of the State Governments. Therefore, a pragmatic approach would be to strictly enforce the existing ceiling limit without permitting any attempt to circumvent it. Given the employment elasticity of agriculture in areas, which are agriculturally backward, land reforms would ensure both agricultural growth and greater employment for the rural poor. It would also provide a social status to the large number of poor. A greater transparency in the method of distribution of surplus land is possible with a greater involvement of panchayats, local communities and NGOs.

3.4.97 The policy with regard to tenancy clearly provided for conferment of ownership rights on tenants or for acquisition of ownership rights by them on payment of a reasonable compensation to the landlords. The tenancy laws of most States abolished tenancies so as to vest ownership of land with the actual tiller. Despite the legal provisions to abolish tenancy, it has continued
to flourish with the existence of a large number of tenants and sub-tenants without any protection against eviction leading to insecurity among them. The continued existence of oral and concealed tenancies has led to low investments and low productivity in agriculture in several States where the implementation of tenancy reforms has been tardy. In contrast, in West Bengal, Karnataka, and Kerala, much success has been achieved in this respect. The success of ‘Operation Barga’ in West Bengal is well documented. This shows that conferring occupancy rights on the tenants has led to better investments in land and consequently, a higher rate of return. Hence, it is desirable that States which have a high incidence of concealed tenancy recognise this fact and record the rights of tenants. In addition, absentee landlordism has to be restrained. To the extent that large landowners leave their land fallow, either the State should take it over and lease it out on a long-term basis or the land owners should be required to lease it out on a long-term basis. Measures would have to be taken for the protection of tenants against displacement, eviction and other forms of exploitation.

3.4.98 A ban on tenancy was imposed in almost all the States to encourage owner cultivation and to give security of tenure to the sharecroppers and the tenants. In areas characterised by semi-feudal modes of production, where agricultural markets are not well developed, this ban is desirable with a view to protecting the tenants. It has been demonstrated that in 1972-73 in Bihar that 40 per cent of the land was under sharecropping. This percentage has gone down and is probably around 25 per cent. The share of landholders is limited to 25 per cent of the gross produce but in practice this is perhaps illusory. Since the tenancies are oral and the sharecroppers are weak their
hold on land is tenuous and they have to give to the landlord more than half of the produce. In this case, the tenants have no incentive to make long-term investments in land. The landlords also do not look upon it as a productive asset but a store of value and a reflection of their social status. Both the landlord and the sharecropper would gain if the sharecropper had the rights of cultivation in the land as he would make greater investments which would lead to higher returns. This shows that in areas where tenancy flourishes, reforms are required together with a proper implementation of laws.

3.4.99 On the other hand, in the Green Revolution areas where there is greater awareness and the markets work, freeing the lease market for land would contribute both to equity and efficiency. In these areas where the traditional arrangements exist, the tenants have been reduced to the status of an agricultural labourer with the landlord exercising considerable influence. In this case, the tenants as well as small and marginal farmers would be able to augment their operational holdings by leasing in land and, with a greater intensity of cultivation, it would lead to greater output. Clearly, agricultural tenancy should be opened up and leasing in of land permitted subject to the ceiling limits. This would activise the land market which would enhance the poor people’s access to land.

3.4.100 Despite the commitment that the tribal lands must remain with the tribals, alienation of the tribals from their land continues on a large scale due to various legal loopholes and administrative lapses. Hence, in the Ninth Plan legal provisions must be made for the prevention of alienation of tribal
lands and for their restoration, not only in the notified scheduled tribe areas but also in the tribal lands in other areas. Also, the regulation of resale of the tribal lands should be made as stringent as possible. Given that alienation is basically a consequence of economic deprivation and social discrimination it is felt, that for the tribal communities, various development programmes must be dovetailed in order to improve the income level of these people and to provide them with a basis for sustained livelihood. Even in the case of acquisition of lands of the tribals by the Government for public purposes, it should be restricted to a minimum. Encroachment of land belonging to tribals should not be permitted. Even civil courts should have no jurisdiction in the proceedings involving transfer of land of persons belonging to scheduled tribes.

3.4.101 As already stated, consolidation of holdings has been successful in a very few States though several States have enacted legislation in this regard. In some cases, there are genuine problems in the process of consolidation including proper valuation of land, fear of eviction of small and marginal farmers who are tenants, inadequate availability of staff and lack of updated land records. Despite these constraints, consolidation of holdings makes for efficient land use and water management, leading to higher productivity and, therefore, must be enforced wherever practicable. However, in so far as there is insecurity among the tenants and small and marginal farmers, the State must ensure that their interests are protected. Consolidation operations, whenever undertaken, should be integrated with survey and settlement operations in order to avoid duplication in work and harassment to the affected person. The involvement of the Panchayati Raj Institutions should facilitate this process through a greater participation of the village people.
3.4.102 In rural areas every village has common lands as well as other common property resources. These are a source of sustenance to the landless. Evidence suggests that considerable area of the government land has been taken over both by the rural poor as well as by the rural elite for agricultural and housing purposes. Unluckily, due to negligence, unsustainable overuse and excessive pressure of population on land, the productive capacity of common lands has been diminishing. However, joint forest management and watershed development programmes are schemes which can be successful in the regeneration of these common lands. Clearly, ‘pattas’ should be given to the rural poor in order to provide them access to a means of livelihood. There are several success stories, both in the area of joint forest management as well as watershed development by groups of people, especially women on common land, which could be replicated. These lands can also be used for providing grazing land, fodder and fuel to the poor. If the common property resources vest in the Gram Panchayat, access to it should be limited to the rural poor and the rural elite should not be allowed to encroach upon it. Similarly, the wastelands which are lying unutilised should be reclaimed and distributed among the marginal farmers and landless labourers of the area. This would provide them a source of income as also generate greater output from a variety of activities in the area of agriculture, horticulture, fodder, fuelwood and other agro-forestry. Given the paucity of ‘cultivable’ land, it is necessary to redistribute the wastelands and fallow land in order to provide productive employment to the poor.
3.4.103 In the case of land vested and in possession of the Government and/or where a final decision is pending in a judicial court, it is suggested that such land should not be kept vacant but allotted to eligible rural poor on a short-term basis with a clear understanding that they would have to handover the land to the original landlord if the court so directs. However, legal opinion is being sought on the possibility of taking up this measure. Again in the case of Government wasteland and degraded forests, there is a growing opinion that such land should be allotted/leased to the corporate sector and for industrial and commercial purposes. As argued above, this too would adversely affect the rural poor. Access to such land should be restricted to the rural poor in order to provide them with employment.

3.4.104 So far, the strategy of land reforms has not given any cognizance to the existing gender inequalities in land inheritance laws and ceiling laws. In most regions of the country, women constitute a disproportionate number of poor. They are also more dependent on agriculture for a livelihood than men, as men shift to non-farm employment. Also, it is estimated that 20 per cent of the rural households are de facto female-headed. Yet, very few women have titles to land and even fewer control it. Hence, ensuring women's effective command over land will be one of the new priorities of the Ninth Plan.

3.4.105 Traditionally, it was accepted that agricultural land would be inherited by sons, even though in some States the inheritance law did not stipulate such a provision. Hence, it is necessary to implement the laws and also to record the rights of women, where it is legally claimed by them.
Further, in so far as inheritance rights in tenancy laws are subject to specific land acts, the issues cannot be easily resolved. In some States the tenancy laws provide for devolution of tenancy to male descendants and only in their absence, women can inherit, but then also to a limited extent. Hence, the States should amend their land and inheritance laws so as to bring agricultural land at par with other forms of property.

3.4.106 Many of our States have improved women’s access to land and landed property. States like Karnataka, Tamil Nadu and Andhra Pradesh have amended the Hindu Succession Act, 1956 to formalise issues related to women’s right to property including land. Some, like Rajasthan and Madhya Pradesh have provided that issues related to property, including landed property, would be dealt with in accordance with the appropriate personal laws. However, serious anomalies continue to persist. A number of States like U.P. Haryana, J&K, Delhi and Punjab are apparently yet to take adequate steps to provide the Constitutional/legal safeguards to women with respect to their access to land.

3.4.107 Additionally, it is necessary that when ceilings are fixed in relation to a "family unit", the definition of a family should be uniform across States and sons and daughters should be given equal consideration, both while assessing ceiling surplus land and in land distribution under various resettlement programmes. The pattas should be in the name of women to a larger extent. While joint pattas are better than no pattas, which do not provide the women control over it. In fact, groups of poor rural women
should be given group pattas with usufructuary rights, but no right to sell individually. This group approach would enable the women to retain control over land. They could invest in the land collectively and cooperate in sharing both labour time and the returns. There are several instances of such joint management by groups of women which need to be replicated. However, to enable women to reap the benefits of land acquisition, greater access to information, credit, inputs, marketing and technologies must be provided to them.

3.4.108 In order to have a better data base, both the Agricultural Census and the National Sample Surveys should provide information on land ownership, land operated and land under tenancy by gender. So far, land-based statistics are recorded on a household basis. A pilot survey should be undertaken proceeding the next nationwide NSS data collection exercise.

3.4.109 Maintenance of up-to-date land records is crucial for effective implementation of land reforms. Hence a scheme has been launched for Strengthening of Revenue Administration and Updating of Land Records was introduced with a view to strengthening survey and settlement organisations at the grassroots level through training, equipment, staff etc. States should give special emphasis to resurveys and adopt appropriate modern technologies for this, including aerial survey, photogrametic systems, global positioning system, use of scanners, digital computerised maps etc.
3.4.110 Over time, the expenditure on the various poverty alleviation programmes has increased significantly. It is true that these programmes play a vital role in ensuring that the poor are able to sustain themselves, particularly during the lean seasons, through generation of additional employment and incomes. However, it is becoming increasingly clear that spending money is not the only way of ameliorating the conditions of the poor. Scant attention has been paid to the role of non-monetary policies and institutional arrangements which affect the lives of the common people, especially the poor. There are several laws and policies which are anti-poor. The knowledge about them is scattered and often anecdotal. However, some examples may illustrate the nature of the problem.

3.4.111 For tribals and forest dwellers minor forest produce obtained from forest and common property resources is a major source of livelihood. However, the poor tribals are facing problems in gathering this minor forest produce due to diversion of non-timber forest produce to the industry. Bamboo forests are being readily leased to the paper industries regardless of the provision in the Forest Policy 1988 which stipulates that the forest dwellers have the first charge on the forest produce. Rural artisans, who make products out of bamboo, face shortage of raw material as the forest departments allot them green bamboo in rationed quantities. This practice has been observed in Karnataka and Orissa. In some cases, forest land is leased out to private industry for long periods. This too adversely affects the poor.
3.4.112 The forest department also issues licences to women for gum collection from babool trees and compels them to sell their entire collection to the forest department at a prescribed price which is one third to one fourth of the market price. In some States, tribals can collect hill brooms but cannot process these into a broom nor can they sell the collected items in the open market. Thus, the poor are prevented from making value addition through processing and are denied the right to get the best price for their produce. Licensing activities for the poor in rural areas are cumbersome and time consuming. To set up a charcoal kiln one requires four to five types of permission.

3.4.113 The rural poor do not have a level playing field as the market for their finished products are dominated by a single trader or cartel of traders operating in the area. In the market, the terms of trade are against them. Neither the public nor the private sector has encouraged the growth of poor people’s organisations but, instead, has either tried to suppress or control them. Cooperatives could have become the real supporters of the poor and needy but the process for their formation and registration is very cumbersome. Where cooperatives of poor people have been successful such as women’s beedi cooperatives, they have been taken over by private companies. Similarly, the Government has often interfered with the independence of the cooperatives by putting government operators in charge of them.
3.4.114 An exercise has already been done to document some of these laws and policies. In the Ninth Plan, an attempt will be made to initiate the process of identifying anti-poor laws/policies, Statewise. These would be brought to the notice of the policy makers, local governments and NGOs so that these may be suitably modified and/or repealed in the interest of the poor.

3.4.115 It is necessary to recast the special employment programmes with a view to making them more effective in meeting not only the short-term objective of providing temporary work, but also in building up the productive capacity of individuals/areas which, in turn, would make for greater employment on a more sustainable basis. The focus would have to be on agriculture and allied activities, besides rural non-farm sectors and services, which have a high employment elasticity. This would require a high degree of convergence among the various poverty alleviation programmes (PAPs), area development programmes and sectoral schemes, within a district plan based on the physical and human endowments of the area, the felt needs of the people and the total financial resources available. Using scientific methods, remote-sensing agencies at the Centre and State level would be asked to provide detailed maps showing land, water and other physical resources of the area, with the aid of photogrammetry and satellite imagery. The detailed maps would then be scrutinised to identify all possible watersheds. Planning along watershed lines would ensure minimum surface run-off, thus conserving water from rainfall. Viable activities in agriculture
and allied sectors would have to be selected. Agro-processing activities linked with the cropping pattern, village and small industries with growth potential and other infrastructural gaps would also have to be identified and prioritised. Within this framework, poverty alleviation programmes would be integrated with area development programmes within a developmental plan at the district level.

3.4.116 So far, there has been a complete dichotomy between various sectoral as well as poverty alleviation programmes that have been planned and implemented by the concerned line departments. The Government has recognised this dichotomy but greater efforts have to be made to effect the convergence in practice. As a start, an attempt has been made to integrate DPAP and DDP, EAS and the Integrated Wasteland Development Programme (IWDP), all being implemented by a single Ministry. Watersheds are to be constructed and associated works of drainage, land development and terracing undertaken. Also, afforestation, agro-based and horticultural development, pasture development, crop demonstration for popularising new crops/varieties and upgrading of common property resources are being taken up. Clearly, there is scope for integrating other sectoral programmes of soil and water conservation, forestry, minor irrigation, animal husbandry, agriculture and other departments, funds from which flow from sectoral heads to the district level. Once the area plans are prepared, dovetailing of funds would not pose a problem.

3.4.117 PRIs have been set up in most States. They have been vested with
wide-ranging financial and administrative powers. Along with the PRIs at the district and sub-district levels, Voluntary organisations would also play an enhanced role especially as facilitators and social animators in bringing about greater awareness through advocacy. They would also help the poor to form self-help groups with the objective of improving their economic status through concerted action. In this way the PRIs, the voluntary organisations and the community would work in tandem to bring about greater development at the local level and consequent reduction in poverty levels.

3.4.118 Arising out of the above narration, the question arises as to where the war against poverty stands at the present moment. This is described by the statistics that are furnished in the Tables at Annexure-1. These tables depict the following – Population that is still below the poverty line; the status of key socio-economic indicators; a comparison of the key indicators across a selection of countries, including India; the data on wage employment and poverty alleviation programmes; poverty ratios and various poverty lines; per capita incomes and poverty lines across States; and, finally the number and percentage of the population that is below the poverty line in different States. The figures tell the tale that the performance of the governmental machinery in alleviating poverty has been highly unsatisfactory.

3.5 Summary of the chapter -

3.5.1 This chapter commences with an overview of the broad strategies of poverty alleviation and rural development that have characterised planned development in India.
3.5.2 The First Five Year Plan, which set the ball rolling, in respect of planned development in India is described in some detail. This is because it is important to understand the back-ground for the approach which was followed for nearly two decades.

3.5.3 The Sixth Five Year Plan was, in a sense a watershed in the planning process. A few years before that Plan was to be launched, “garibi hatao” or “remove poverty” was adopted as a major goal of programmes of rural development in the country. This was virtually an admission that not much had been done, since Independence to reduce the problems of the poor. This Plan saw the launch of a strong anti-poverty programme, which was the Integrated Rural development Programme. This programme, along with its counterparts in the wage employment sector, has been the mainstay of the poverty alleviation and rural development effort in India, since 1980.

3.5.4 The Ninth Plan document has a detailed and quite candid review of the experience of the previous Plans. Hence, it is made use of in some detail. The Ninth Plan is itself quite critical of the manner in which some of the programmes were formulated and implemented. The Plan also made some corrections in those programmes, so that the objectives would be realized. Further, innovations were also meant to be implemented during the Plan period.

3.6 References –

5. Government of India : Planning Commission of India - *Fifth Five Year Plan, 1974-79*