8.1. Introduction:

Unemployment, poverty and inequality are related phenomena. Any success in solving one of these problems would imply some success in solving the other. "Poverty and unemployment are two sides of the same coin when we are going to solve one problem in the society, second will be taken care with that. The poverty and unemployment at present scenario are most severe problems of Indian economy".

The problem of unemployment is haunting the minds of planners, economists, political leaders and social reformers of India since long. Rural unemployment has been more severe than urban unemployment in India, for the solution of rural unemployment; wage employment programmes were stressed in labour surplus economy like India. The poverty and unemployment in rural India cannot be eradicated merely through government policies. The problem goes far deeper than merely rectifying the economic conditions of the poor people.

8.2. Statement of the Problem

Poverty and unemployment alleviation has been central objective of planned strategy, but it was in the Fifth Five Year Plan for the first time, unemployment and poverty alleviation has been adopted as an explicit objective on the basis of recommendations made by Bhagawati Committee.
Food is the major consumption item for the poor and because employment is the principal source of their income, the effects of the self-employment are highly favourable to poor. Therefore, under the existing circumstances emphasis has to be on diversifying the rural economy through the encouragement of rural industries like small-scale cottage and tiny industries.

India is a unique country where majority of the population lives in the rural areas. This is the population, which has been frequently facing natural calamities like drought, earthquakes and disasters, due to human displacement. The rural scenario in India today is quite disturbing and needs much attention. The rising prices and high cost of living; it is difficult to satisfy basic needs of the rural population.

Government of India as well as state governments are showing great concern for rural poor and unemployed. The majority of the rural poor own very little or no land at all. They are not educated and have no skills so they cannot find employment. In order to provide them employment so as to earn better income various employment programmes have been started by the government. In this context it is necessary to examine these employment programmes more so the TRYSEM programme.

8.3. Importance of the Problem

To generate skills among rural youths the government to provide self-employment and wage employment to the rural youths implemented a special scheme called 'TRYSEM'. This programme was very much helpful to the untrained rural youth to take-up self-employment. Thus, it is felt necessary to study
the performance of the programme elaborately, and trade for which the training is undertaken and creation of self-employment at micro level.

8.4. TRYSEM: (Training of Rural Youth for Self-employment)

A centrally, sponsored scheme TRYSEM was launched by the Government of India, the department of Rural Development on 15th August 1979. It is facilitating component of IRDP. The main objective of TRYSEM scheme is to provide technical and basic skills to rural youth from below poverty line to enable them to take up self-employment in the broad fields of agricultures and allied activities. The target group comprises of rural youth between the ages of group of 18-35, the selection for the programme is on the basis of member of the poorest families first, 40% women, 3% disabled, 50% SC/ST. During the training trainees were paid stipend varying from Rs. 200-250 per trainee per month. The durations of training course can vary from few days to several months.

The performance of the TRYSEM scheme in India during last 20 years is fluctuating a period of time. The performance of TRYSEM scheme in Karnataka state is satisfactory. From 1979 to 1998 a total amount of Rs. 659 crores was spent under this programmes. Given this magnitude of resource spent under the scheme and the experience gained in its operation need a meaningful study.

8.5. Methodology:

From the insight and perspective provided by the review of the earlier studies on TRYSEM, the present study is
undertaken with specific reference to Belgaum district in Karnataka State. This study is confined to evaluate the TRYSEM programme and its impact on the beneficiaries.

8.5.1. Objectives of the Study:

The overall objective of the study is to assess the progress and performance of TRYSEM programme in Belgaum District. The present study has been undertaken with following specific objectives.

1. To study the socio-economic conditions of the beneficiaries under TRYSEM programme.
2. To study the extent and nature of employment generated through TRYSEM programme among the trained youths.
3. To examine the relative importance of wage-employment to self-employment under TRYSEM.
4. To examine the sustenance of the units created by the beneficiaries under TRYSEM scheme over a period of time.
5. To assess the income generation under TRYSEM and its impact on unemployment and poverty alleviation in study area.
6. To assess the changes in standard of living of beneficiaries after the training.
7. To suggest possible measures for solving the problem of rural unemployment and poverty.

8.5.2. Hypothesis:

1. 'The TRYSEM programme has failed to tackle the problem of unemployment and poverty among rural poor'.

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2. The economic development of the taluka has a positive impact on the performance of TRYSEM.

8.5.3. Methods of Data Collection:

The present study is mainly based on primary data, but secondary data are also used.

a) Secondary data: The secondary data was collected from District Rural Development Office, Belgaum, Zilla Panchayat office, Belgaum, District Statistical Office, Belgaum, Gazetteer of Belgaum district and Karnataka State, Economic Survey of India and Karnataka State, Government of India’s manual on IRDP and allied programmes.

b) Primary Data: The study is primarily based on a sample survey, the area of which is confined to Belgaum District. The relevant data and information have been collected through a structured questionnaire, canvassed among the selected sample respondents who have undergone training under TRYSEM: in four taluks of Belgaum District.

8.4.4. Reference Year:

There is two reference years: 2003 refers to the survey period, while 1997-98 refers to the selection of the beneficiaries, who have been trained under TRYSEM in Belgaum District.

8.5.5. Selection of Belgaum District:

Belgaum District is selected for the purpose of present study. It is because in Belgaum district the TRYSEM scheme is
in operation in all the 10 taluks and is having all characteristics, which represent most of characteristics, other district in the State.

8.5.6. **Selection of Taluks:**

The Belgaum district is administratively divided into 10 taluks. As a first step the taluks were arranged according to the Integrated Development Index. The integrated development index is built by taking into account physical indicators of development of Belgaum district. On the basis of these considerations the integrated index of development for each taluk was worked out. Accordingly, all 10 taluks were arranged in a hierarchical order. So, two taluks from developed categories i.e., Chikodi and Gokak and the two from backward category i.e., Khanapur and Ramdurga were selected for the purpose of present study.

8.5.7. **Selection of Respondents:**

For the present study, a sample of 200 respondents is selected from four taluks. These respondents were to be selected from among the TRYSEM trainees who had undergone training under the TRYSEM in 1997-98. Accordingly, 50 respondents from each taluk were selected on a stratified random sampling. The number of respondents selected from each trade is proportional to the total number of trainees in particular trade from each taluka. Accordingly 50 (beneficiaries) respondents from each taluka were selected on a random sample basis giving a good representation to different activities.
trained under TRYSEM. The seven broad trades were trained in different taluks.

8.5.8. Method of Analysis:

The analysis of data and testing of hypothesis is done by using simple statistical tools like, averages, percentages and cross tabulations.

8.6. The Socio-Economic Profile of Beneficiaries:

The age composition of sample respondents reveals that majority of them (50 percent) are in the age group of 26-35, another 45 percent in the age group of 18-25, only about 2 percent of them are above the age of 36 years. The sex composition of beneficiaries clearly shows that nearly 60 percent of the beneficiaries are male and 40 percent are female beneficiaries. This shows due preference is given to female beneficiaries in the study area. Hindu community dominates that 92 percent of the sample beneficiaries; other minorities like Muslims, Christian and Jains have also got the benefit under TRYSEM scheme. The caste-wise analysis of TRYSEM beneficiaries in study area reveals that majority of them belongs the category of OBC, SC/ST and only 7 percent belongs to the general category. Marital status of the sample beneficiaries reveals that 64 percent of the beneficiaries are married and about 36 percent of them are unmarried.

The housing condition of the samples in study area shows all of them possess houses, but most of the houses are Kachcha in nature; only few of them owned pucca houses. About 85 percent of the sample beneficiaries are having nuclear
families, only 15 percent of them are from joint families and almost all the household have got electricity connection. The educational level of sample beneficiaries reveals that quite majority of them are well educated, only 13 percent of them have got education up to primary level. The average family size of the respondents is found to be large in the study. The family size varies from 5 to 8 members in case of 63 percent of the beneficiaries. The size of land owned by the sample beneficiaries indicates that quite majority of them are small farmers, owning less than 4 acres, another 8 percent of them are landless. It means they belong to the category of poor.

Thus analysis of the socio-economic conditions of the sample respondents in the study area makes us to conclude that the implementation of the TRYSEM programme is in line with the guidelines as laid down under the scheme. The selection of the beneficiaries on the basis of age, sex and caste is very meticulously observed. Even the examination of their economic condition such as their housing conditions, land holdings, family size, education etc. reveal majority of them belong to poor category.

8.8. Perception about TRYSEM:

There are the two major agencies involved in providing information about the scheme are respectively Gram Panchayats, Friends and relatives. However, the role of mass media in this respect is not so significant in creating awareness among the poor regarding the TRYSEM programme. 40 percent of the sample respondents are self-motivated. The other motivating forces are namely, -friends and Gram Panchayat
members. Thus self-motivation is the prime factor for undertaking training under the scheme. Another reason behind undergoing training is to get some temporary relief from unemployment; only 3 percent of them are attracted by stipend given under the scheme. About 73 percent of the respondents have gone outside the native place and even beyond a distance of 10 kms to have the training. Majority of the respondents in study area have undergone training between 3 to 6 months period and only 14 percent of the total respondents have undergone training for more than 6 months duration. The short period of training by large number of beneficiaries in the study area, shows that they are not sufficiently trained in their trades.

The amount of the stipend varies from a minimum of Rs. 200/- to maximum of Rs. 500/-. None of the beneficiaries are devoid of stipend.

The analysis pertaining to the perception of TRYSEM scheme such as information about the scheme, the motivating forces, reasons for undergoing training, distance of training, duration of trainings and stipend etc., bring out two important observations. Firstly, as regards to information about the scheme Gram Panchayats coupled with friends and relatives have played a dominant role and main reason behind training is self-employment. Secondly, all of them have got stipend for the training; the duration of training is not sufficiently long. Therefore, regarding the operation of the TRYSEM scheme in study area, we may conclude that all possible precautions are taken by the agencies concerned to implement it effectively.
8.9. Employment Profile of Sample Beneficiaries

Out of the total 200 respondents from the study area 42 percent of them are found to be eligible, 25.5 percent of them are ineligible and 32.5 percent of the respondents were found deviated from original trades. Out of 84 eligible beneficiaries 45 percent of them are found to be eligible in tailoring activity, followed 15.48 percent in Computer, 14.29 percent in motar rewinding. Nitting, TV/Radio repair and embroidery are found having less number of eligible beneficiaries. The ineligible respondents are more in computer, TV/Radio repair and motor rewinding constituting 73 percent of the total ineligible respondents. Deviated respondents are more in computer, motar rewinding and TV/Radio repair as these activities needs more of technical skill and more finance to start. Out of 84 eligible beneficiaries 63 (75 percent) of them are self-employed and 21 (25 percent) are wage employed. The reason for this self-employment or wage employment depending upon training skill generated and finance need to start self-employment. Traditional activities are generating more of self-employment than, wage employment. The activities, which are new and modern in nature, create more of wage employment than self-employment. Majority of the eligible respondents have taken up self-employment in the trade in which they are trained.

The maximum number of wage employed are in computer trade and motar rewinding, 9.52 percent each in tailoring and TV/Radio repair. A short-term training of 3-6 months is not sufficient to have self-employment. 65(32.5 percent) of total beneficiaries are deviated from original trade. The majority of the deviated beneficiaries are from computer, motar rewinding
and TV/Radio repair. 51 (25.5 percent) beneficiaries are found above poverty line indicating wrong identification of beneficiaries. Majority of ineligible beneficiaries are found in computer, TV/Radio repair, motar rewinding and tailoring. The main reason for this is that these trades are modern one and help the beneficiaries to get more income & practical knowledge at free of cost under TRYSEM.

The overall observation from employment profile of the beneficiaries is that out of 200 sample beneficiaries 84 (42 percent) of them are founds to be eligible, 65 (35.5 percent) are deviated from original trade and 51 (25.5 percent) are ineligible. Two taluk are having maximum number of eligible beneficiaries and other two taluks are having more eligibles beneficiaries, it is largely depend on the economic development of taluks. Majority of eligible beneficiaries are from tailoring, computer, motar rewinding trades. In case of deviated beneficiaries computer, motar rewinding and TV/Radio repair are contributing more. Among 84 (42%) eligible beneficiaries 63 (75%) of them are self-employed and 21 (25%) are wage employed.

8.10. Impact of TRYSEM on Self-employment and Wage Employment:

By giving training in traditional activities like tailoring and Embroidery more of self-employment can be created. In case of modern trades like Computer, motar rewinding, TV/Radio repair there is likelihood of wage employment. In three activities namely computer, TV/ Radio repair, motar-rewinding the average amount investment per unit is very high as compared to others. The overall
average amount of investment is less than Rs.10,000 per unit. It means these activities are well within the reach of poor people to start. Irrespective of the amount of investment the proportion of amount borrowed from banks and financial institutions is found to be high and own capital by beneficiaries have a minimum, and very few of them are found depending on moneylenders in a marginal way. Majority of beneficiaries who have borrowed funds from banks and financial institutions have availed subsidy facility.

There is positive relation between rate of return and amount of investment i.e., trades having large amount of investment will have high rate of return on investment and vice-versa. Computer trade is having highest rate of return on investment which exhibits the most successful trade in generating income, followed by TV/Radio repair and motor-rewinding. Thus, modern activities are successful generating more return as compared to traditional activities, which are more self-employment oriented. The cost of production as a percentage of income depends on nature of activity. The reinvestment process is very much dependent on the nature of activities. The reinvestment amount is directly related to the income generated from the business.

Out of total 63 self-employed beneficiaries 31.75 percent of them are defaulters; the reason behind this is income generated by self-employed units is not being sufficient to repay the loan. There is positive relation between net returns and repayment of loans. Self-employed beneficiaries are employing hired labour as well as family labour. The use of family labour is more as compared to hired labour. There is no uniformity as regards wage rates paid in different activities. The activities,
which have high proportion of low and high wages, will have low employment intensity. Whereas activities with combination of low and medium wage ratio will have more employment intensity. Out of 63 self-employed units, only 52.58 percent of the self-employed units are sustained for five years, 26.98 percent were found in operation for four years and another 20.44 percent of them lasted for three years. In computer trade sustainability is cent percent followed by TV/Radio repair and motar rewinding trades with 57 percent each. Among 63 self-employed beneficiaries 20 (31.75 percent) beneficiaries have earned income above the poverty level, whereas out of 21 wage employed beneficiaries 08 (38.09 percent) have been crossed the poverty line income, which is more compared to self-employed. This indicates that wage employment is helping the beneficiaries in earning income, which pushes them above poverty line as compared to self-employment. The modern trades needs high investment for self-employment and also contributes to more income so as to cross poverty line, whereas wage employment in modern trades generated incomes to cross poverty line but compared to self-employment in the same trade it is less. The traditional activities are able to generate more self-employment compared to wage employment, but failed to generate sufficient income to cross the poverty line.

The overall observation from the impact of the TRYSEM on self-employment and wage employment is that two trades namely Tailoring and Embroidery contributing more for self-employment. Self-employment in modern trades need very high investment major part of finances comes in form of institutional finance. Larger the investment higher the returns on
investment. Traditional activities are self-employment oriented as compared to modern trades. There is positive relation between rate of return and repayment of loans. Self-employed units are employing both hired and family labours, only 50% self-employed units are sustained for five years. Thus, modern trades are more income generating and traditional trades generate more of self-employment.

8.11.TRYSEM and Poverty Alleviation:

The study has revealed marginal impact of TRYSEM in alleviation of poverty. Out of 200 sample beneficiaries 51 sample beneficiaries i.e. 25.5 percent beneficiaries were wrongly identified. The number of beneficiaries above the poverty line increased to 89 (44.5 percent) of the total sample beneficiaries in the post-training period. But the actual number of eligible beneficiaries who have crossed the poverty line comes to only 38 (19 percent). The performance of the beneficiaries in Gokak and Chikodi Taluk is far better than that of Khanapur and Ramdurga Taluk because of economic development of those talukas. Which proves the hypothesis i.e., ‘the economic development of the taluka has a positive impact on the performance of TRYSEM’ (which is evident from table 7.1).

The performance of computer, Motar rewinding, TV/Radio repair and tailoring was satisfactory, where as embroidery, nettling and electrician was found to be unsatisfactory. This meager impact of TRYSEM programme on poverty alleviation is
mainly due to the better performance of computer, motor rewinding, TV/Radio repair and tailoring trades. The present exercise of poverty alleviation through TRYSEM training is not adequate and it has its own limitations.

Out of 149 eligible sample beneficiaries 53 (35.57 percent) have crossed the poverty line in the post-training period, which is contributed mainly by computer, motor rewinding, TV/Radio repair. Out of 63 eligible self-employed beneficiaries only 20 (31.75 percent) have crossed the poverty line in the post training period. This is largely contributed by better performance in trades like computer, TV/Radio repair and motor rewinding trade. The Impact of TRYSEM scheme on self-employment is just satisfactory. The performance of eligible wage employed beneficiaries in post training period is better than that of self-employed. Out of 21 eligible wage-employed beneficiaries 08 have crossed the poverty line in the post-training period. The deviated beneficiaries indicate the improved performance as compared to self-employed and wage employed. Out of 65 deviated beneficiaries that 26 (40 percent) of them have crossed the poverty line. The performance ineligible beneficiaries in the post-training period were most disappointing. Out of 51 ineligible beneficiaries, 35 have succeeded in retaining their original position (i.e., above poverty line), while remaining 16 beneficiaries have experienced decline in income in the post-training period and hence slipped below poverty line.

The proportion of the beneficiaries crossing the poverty line is negligible among the lowest income groups. It does not mean that they have failed to increase their income levels; the rise in their income is not sufficient to cross the poverty line.
The performance of upper strata is also not satisfactory. The programme has largely benefited the not so poor sections as well as the better of sections. The post training period performance is quite satisfactory among the middle-income strata. Thus impact of TRYSEM in improving economic conditions of the beneficiaries is quite insignificant or just marginal. This supports the hypothesis i.e., "The TRYSEM programme has failed to tackle the problem of unemployment and poverty among rural poor" (which is evident from table 7.8).

8.12. Impact on Standard of Living:

The eligible beneficiaries are spending major part of this income on food and clothing in post training period. Thus TRYSEM scheme is not able to improve the standard of living of eligible beneficiaries. In case of deviated beneficiaries there is decline in the consumption expenditure on food and clothing in post training period, indicating better utilization of income as compared to eligible beneficiaries. Whereas, ineligible beneficiaries the increased income is spent on the items like habits, recreation, religious functions, which means the TRYSEM scheme has negative impact on ineligible beneficiaries.
MAIN FINDINGS

The following findings are drawn on the basis of present study.

- The age, sex and caste composition of beneficiaries indicates that, the selection of beneficiaries under the scheme is as per the guidelines of Scheme in the study area.

- The economic conditions like education, housing conditions, size of landholdings and the family size of the beneficiaries etc. reveal that majority of them belong to the category of poor.

- The main source of information about TRYSEM scheme is Gram panchayats, Relation and friends, and Self-motivation is the prime factor for undertaking training under the scheme. Majority of the sample beneficiaries have gone outside the native place, even beyond distance of 10 kms to have training. None of the beneficiaries are devoid of stipend.

- Out of 200 sample beneficiaries from the study area 84 (42 percent) of them are found to be eligible, 65 (32.5%) are deviated from original trades and 51(25.5 percent) beneficiaries are ineligible. Two taluks (i.e. Chikodi and Gokak) are having more of eligible beneficiaries and ineligible beneficiaries are dominating other two taluks (Khanapur and Ramdurga). Majority of eligible beneficiaries are found in tailoring, computer and motar rewinding.
• Among 84 (42 percent) eligible beneficiaries, 63(75 percent) of them are self employed and 21(25 percent) are wage employed. About 75 percent of self-employed is found in tailoring and embroidery trades and 80 percent of wage employed are in trades like computer and motar rewinding trades. The activities, which are new and modern in nature like computer, TV/Radio repair and motar rewinding create more of wage employment than self-employment.

• In case of deviated beneficiaries 80 percent of them are from computer, motar rewinding and TV/Radio repair trades. It because of lack of confidence, heavy investment and lack of interest on part of beneficiaries in running the business.

• In case of ineligible beneficiaries, majority of them are found in trades like computer, TV/Radio repair and motar rewinding. The main reasons for this are these trades are modern and help to get practical knowledge at free of cost under TRYSEM.

• In modern activities like computer, TV/Radio repair and motar-rewinding, the average amount of investment per unit is very high. The overall average amount of investment is less than Rs. 10,000/- per unit. Major part of the fund required for starting the business has come in form of institutional finance.

• Larger the investment, higher is the rate of return on investment and vice-versa. Computer trade with highest return on investment exhibits the most successful trade
in generating income, followed by TV/Radio repair and motor rewinding. The reinvestment amount is directly related to the income generated from the business. There is positive relation between net returns and repayment of loans in study area.

- Self-employed beneficiaries are employing hired labour as well as family labour, but the proportion of family labour is more as compared to hired labour. The wage rates paid to the employees vary from Rs. 25 to 40 per day, which differs from different activities. Thus, level of wages determine the employment of labour in particular activity.

- Only 50 percent of the self-employed units are sustaining for five years, which is mainly contributed by 100 percent sustainability in computer and 57 percent each in TV/Radio repair and Motor rewinding trades. Thus, income generated in particular activity has a positive impact on sustainability of units.

- Wage employment is helping the beneficiaries in earning income, which pushes them above poverty line as compared to self-employed.

- The modern trades needs high investment for self-employment and also contributes to more income so as to cross the poverty line, but self-employment generated, in these trades is less. Whereas wage employment in modern trades generates income to cross poverty line but compared to self-employment it is less. The traditional activities are able to generate more of self-employment.
compared to wage employment, but they failed to generate sufficient income to cross the poverty line.

- TRYSEM did not have any positive impact on the income of the poor engaged in traditional activities, whereas it has positive impact on the income of the modern trades, which enabled them to cross poverty line.

- Only 38 (19 percent) of the total beneficiaries have crossed the poverty line. In Gokak and Chikodi more number of beneficiaries have crossed the poverty line compared to Khanapur and Ramdurga.

- Out of 63 self-employed, only 20 (31.75 percent) have crossed the poverty line, whereas out of 21 wage-employed beneficiaries 8 (38.09 percent) have crossed the poverty line indicating better performance compared to self-employed beneficiaries.

- Out of 65 deviated beneficiaries 26 (40 percent) of them have crossed the poverty line indicating better performance as compared to eligible self-employed and wage employed beneficiaries.

- Out of 51 ineligible beneficiaries, who are above poverty line in pre-training period, 16 of them skipped below poverty line in post training period.

- The poor and unemployed are ignored under TRYSEM scheme in backward areas, where there is more need for such programmes meant for the poor.

- The proportion of beneficiaries crossing the poverty line is negligible among the lowest income groups and
performance of upper strata is also not satisfactory. TRYSEM has enabled beneficiaries to improve their incomes but very much below poverty line.

- The impact on consumption expenditure of the eligible beneficiaries is nil, but in case of deviated beneficiaries it is good whereas in case of ineligible it is negative.

- The TRYSEM programme is not successful in attacking poverty and unemployment in rural area.
SUGGESTIONS

On the basis of main findings of the study following suggestions are made to improve the TRYSEM programme for alleviation of unemployment and poverty in study area.

♦ The TRYSEM scheme should give high priority to Tailoring, Computer, TV/Radio repair activities, which provide benefits to the poorest of the poor. Such training will not only promote some employment but also support their families by generating income.

♦ The training in technical trades like Computer, TV/Radio repair and motar rewinding should be more intensive and increased for a sufficiently long period of time and also the quantum of loan should be enhanced.

♦ In order to encouraged self-employment in trades like Computer, TV/Radio repair and motar rewinding it is suggested that confidence building has to be done by providing better training and sufficient capital assistance.

♦ The deviation of beneficiaries can be prevented by motivating them after training, assisting them in finance and providing the training for a sufficient period of time.

♦ While selecting beneficiaries atmost care should be taken, pre-selection survey should be conducted and selection authority should be sincere and strict to the guidelines provided by the government.

♦ In order to encourage self-employment among rural youths there is need for giving adequate training with well qualified and experienced persons in respective activities.
♦ The government has to take steps to provide training in trades like computer, TV/Radio repair and motor rewinding for a sufficient period of time. So that beneficiaries can develop confidence to establish their own unit.

♦ If government wants to generate more of self-employment then it should concentrate on traditional activities and if it wants to generate more income then it should concentrate on modern activities.