CHAPTER XII
SUMMARY AND CONCLUSIONS

Securing rapid economic growth and expansion of employment, reduction of disparities in income and wealth and prevention of concentration of economic power and creation of the values and attitudes of a free and equal society have been among the objectives of all our Five Year Plans. One of the most striking experiences of planned efforts in India that economically backward and socially oppressed people in the underdeveloped regions have gained little. Benefits of successive Five Year Plans have passed more to the already developed regions and even within sub-regions, benefits accrued proportionately more to the already rich and socially privileged section of the society, perpetuating social inequalities and disparities of wealth and income distribution. The benefits of planning accruing only to a selected region and selected people is undesirable from the point of balanced regional development and distributive justice. The socio-economic disparities arise when the resources available to the society are used to satisfy the wants of the few while the many do not have even their basic needs met. The unequal distribution of wealth and income as well as the chronic under utilization of the vast human potential are widely recognised as our most pressing problems.
After considerable planning, at national, state and local levels, income disparities remain sizeable in rural India. In aggregate terms, the rate of economic growth can be considered as remarkable but the benefits of progress failed to 'trickle down' to the majority at the bottom of the socio-economic hierarchy.

The problem of chronic underutilisation of vast human potential have been with us from a very long time and is widely recognised as our most pressing problem. There has been a general notion for a long time that the traditional agriculture provides employment to many more persons that is necessary to produce a given level of output hence suffers from large scale disguised unemployment and underemployment. The majority of the poor live in the rural areas and belong to the categories of landless labourers, marginal and small farmers, rural artisans including fisherman, backward classes and backward tribes. The people have either no assets or assets with very low productivity, few relevant skills and no regular full time jobs or very low paid jobs. Thus the problem of unemployment and underemployment in the traditional agricultural sector is the problem of those landless agricultural labourers and small cultivators who are working on small plots, contributing virtually negligible or nothing to output but are sharing in the common family pool.
Poverty as a concept is closely related to inequality and may also be identified with unemployment. Given the average income level, a higher level of inequality (reflected by the usual measures) will tend to be associated with a higher level of poverty. There are two broad concepts of poverty, relative poverty and absolute poverty; while relative poverty is measured in terms of inequality in the distribution of income, absolute poverty is reckoned in terms of some kind of notion of subsistence considered appropriate to the circumstances of the country concerned. In developing countries like India, where incomes are low, absolute poverty is generally reflected mainly in inadequacy of food-intake and the consequent undernourishment on a mass scale, though the definition of subsistence appropriate to such countries might (in fact should) also include other essential minimum needs such as clothing, housing, education and health. Income distribution in the rural sector particularly in the farm category, is closely related with the distribution of land ownership. The relative income level of a family in a society will not measure its absolute level of poverty. The phenomenon of relative poverty is found to exist even in affluent societies such as the United States of America; the relative status is largely a subjective matter. The absolute level of poverty is a question of fact and it is not based on any subjective judgement. A very pertinent indicator of levels of living is provided by food consumption levels. For consumption, in turn, is measured
most appropriately by the average daily calorie-intake per person.

Among the normative measures comparisons between actual levels of aggregate utility and the level of total utility, if income were equally divided and the 'equally distributed equivalent income' of a given distribution of a total income are based on the value of utility of each person which is quite a subjective and arbitrary approach based on the judgement of individuals. The minimum nutrients requirement norms fixed by the specialized agencies are comparatively more valid and have mostly been used in measuring the extent of poverty since the 1960's in India. The nutritional approach to the problem provides a little more than an index of poverty. It enables us to gain some necessary insight into the structure of poverty and by implication, the policy requirements of any poverty eradication programme.

On the basis of minimum nutrients required norms 'poverty line' can be determined in terms of the value of consumption basket of food and non-food items which provides a minimum subsistence for a family as a whole or for each member of the family separately. The minimum subsistence level of food-items is determined in terms of the value of calorie-intake and the value of subsistence of non-food items e.g. clothing, fuel, light, education, health and housing etc; is determined on the basis of minimum human needs and other relevant factors within the
society. The value equivalent of such a consumption basket (food and non-food items) of household on per capita basis is considered as a dividing line, where those who earn or spend more than this figure are 'not poor'. This is termed a 'Critical Poverty Point'. There is no consensus on the minimum per capita requirement of calories for a population and naturally so, since a number of variables like age, sex, body, weight, occupation etc; affect the energy expenditure. But the socio-economic disparities in India is not simply the outcome of population increase, stagnation of national output and rigidity of social systems. They are only the symptoms of the real disease. The real cause of Indian socio-economic disparities lies more in unemployment and inequality and distortions in the structure of production than in population increase, rigidity in the social systems and stagnation of national products. These disparities are also caused by the lack of purchasing power and paucity of consumer goods needed by the weaker sections. Lack of purchasing power results from large scale unemployment and inequality prevailing in the country. Lack of essential consumer goods results from the distortions of the production structure in the country against goods of mass consumption and in favour of superior or luxury goods. The pattern of production in India is against the poor as it encourages production of luxury and in-essential goods as against essential goods like cotton cloth, sugar and coarse variety of grains. Luxury goods are produced more because they are more profitable in relation to essential
goods needed by the weaker-sections. Moreover, the public distribution system of essential goods at the village level is not fair.

The present study on the dimensions of socio-economic disparities among the rural households of Mandi district in Himachal Pradesh has been taken up for detailed empirical investigation due to the reason that in Mandi district, so far no detailed and comprehensive study has been conducted on the dimension of rural disparities. Secondly, Mandi district falls in the mid-hill zone of the State, and therefore, the topography, climatic conditions, access to resources as well as the cropping, income and consumption pattern in this district bear similarity in some areas to that of low hill zone, while in other areas to high-hill zone of the State. As the State of Himachal Pradesh falls in different zones, therefore, due to variations in topographical and climatic conditions, the access to resource endowments as well as cropping pattern and thereby the pattern of household employment, income and consumption vary sharply from one zone to the other. Therefore, a detailed empirical study on the dimension of rural disparities with respect to the distribution of household assets, income and consumption expenditure in Mandi district the area of which lies in different zones, has been undertaken with a view to provide factual position of the problem, which will be helpful to pin-point the main factors responsible for such
disparities. An attempt has also been made to evaluate the effectiveness of the rural development programmes (i.e. IRDP and NREP) in reducing the rural disparities. The factors responsible for such disparities and the remedies to cure the evil will further be useful for developing a set of suggestions for the more effective and impartial implementation of such Government programmes and thereby reduction in the socio-economic disparities among the households in the area under study. The specific objectives of the present study are; (i) to study the disparities in the distribution pattern of household assets, income and consumption expenditure among the selected households, (ii) to study the disparities in the pattern of human labour utilization in different activities, inorder to find out the nature and extent of unemployment among the sample households, (iii) to analyze the disparities in the nature and magnitude of household saving and indebtedness, (iv) to study the participation of people in the social institutions (i.e. panchayats and co-operative societies) as well as to work out the benefits received from these institutions by the different holding groups, and (v) to work out the impact of poverty alleviation programmes (IRDP and NREP) in reducing the rural disparities in terms of assets, income and employment opportunities in the study area.

In order to achieve the objectives of the present study both the secondary and the primary data have been used. The secondary information have been
collected from related books, Journals and reports, whereas the required primary data has been collected with the help of a pre-tested schedule by conducting personal interview of the selected households during the year 1992-93.

In the present study, Mandi district has been selected purposively for conducting the present empirical investigation. There are ten development blocks in Mandi district viz; Mandi Sadar, Rewalsar, Drang, Chauntra, Chachiot, Siraj, Dharampur, Gopalpur, Sunder Nagar and Karsog. In order to select a representative sample of households all the ten blocks have been arranged in an ascending order on the basis of their respective population and three blocks viz; Mandi Sadar, Sunder Nagar and Dharampur block have been selected randomly which constitute around 30 percent sample of the total number of development blocks. At the second stage all the panchayats in each selected development block have been arranged in an ascending order on the basis of their respective population and three panchayats have been selected randomly form each selected block. Thus total nine panchayats have been selected in the study area. A list of villages has been prepared in each of the selected panchayat and all the villages in each panchayat have been arranged in a ascending order on the basis of their respective population. Three villages from each selected panchayat have been selected randomly. Thus total 27 villages have been selected randomly in the study area. Finally a list of
households have been prepared in each of the 27 selected village. All the households in each selected village have been arranged in an ascending order on the basis of their respective size of holdings. All these households have been categorized into different holding groups viz; marginal holdings (0-1 hectare) small holdings (1-2 hectares) medium holdings (2-10 hectares) and large holdings (above 10 hectares). In order to select a total sample of 300 households a sample of household falling in each category have been selected in proportion to the total number of households falling in each holding group. Out of a total sample of 300 households 114 households fall in the category of marginal farmers have been land less than one hectare, 88 households fall in the category of small farmers having land 1-2 hectare, 71 households fall in the medium size of holding group having land 2-10 hectare and the remaining 27 households fall in the category of large farmers with a land holding more than 10-hectares

The primary data collected classified in homogeneous groups, percentages and averages worked out and the statistical tools and techniques have been applied in order to achieve the objectives of the present study. The measures of inequalities/disparities that have been proposed in economic literature falls broadly into two categories. On the one hand there are measures that try to catch the extent of inequalities in some objective sense, usually employing some statistical measures of relative variation of income, and on the other
hand there are indices that try to measure inequalities in terms of some normative notion of social welfare so that a high degree of inequality corresponds to a lower level of social welfare for a given total of income.

The extent of relative inequalities have been worked out by using the Head Count Ratio, Lorenz curve and Gini-coefficient. The magnitude of absolute inequalities (i.e. poverty) have been estimated with the help of 'per capita minimum calorie norms' suggested by the National Institute of Nutrition (1980). Allowances have also been made to non-food items by calculating the ratio of household total non-food expenditure to the total food expenditure. In the present study the sum total of the value of the minimum value of food and non-food requirements have been considered as the dividing factor between the 'poor' and 'not poor.' The total sample population come out 1728, out of which 955 are males and 773 are females. By size class of holdings the total sample population on the marginal, small medium and large size of holdings come out 565, 523, 413 and 227 respectively (see Table 5.1). The average family size, percentage of family work force, average per household consumer units and the literacy percentage indicate an increasing tendency with an increase in the size of holding, whereas the percentage of dependents (with minor fluctuations in between) shows a decreasing tendency with an increase in the size of holdings. In the study area as a whole the percentage of lit-
eracy come out 66.84, out of which the literacy percentage among males and females turned out 74.87 and 56.14 percent respectively. By applying 'the scale of nutrition coefficients' suggested by the Nutrition Experts (1980) the total number of standard consumer units among all the sample households have been worked out 1969.2 out of which 625.2, 603.1, 476.6 and 264.3 fall on the marginal, small, medium and large size of holdings respectively (see Table 5.3). By attaching 'proper coefficients of efficiency' the male female children and old persons of varying age have been converted into standard mandays. The total number of standard mandays among all the households have been worked 1196.90 out of which 376.20, 360.80, 300.33 and 159.57 standard mandays fall on the marginal, small, medium and large size of holdings respectively (see Table 5.4).

In the study area the percentage of total cultivated land shows an increasing tendency, whereas the percentage of total uncultivated land indicates a decreasing tendency (with a minor fluctuations inbetween) with an increase in the size of holdings. The percentage of land under field crops indicates a decreasing tendency and contrary to it the percentage of cultivated land under orchards shows an increasing tendency with an increase in the size of holdings. It happened mainly due to the reason that the marginal and small farmers in order to meet out the minimum consumption requirements of their family members can neither afford to keep any part of their land as fellow nor they can afford to take risk by utilizing their
tiny holdings for commercial crops which involve long gestation period and can be subjected to crop failure due to the whether vagaries.

The percentage value of total household productive assets i.e. land, livestock, agricultural implements etc. (to the total value of household productive assets and durables) shows a decreasing tendency, whereas the percentage value of household durables shows an increasing tendency (with minor variations inbetween) with an increase in the size of holdings. Among the productive assets the value of land accounts for the lion's share among all the holding groups and its percentage value shows an increasing tendency with an increase in the size of holding. (see Table 6.3)

The percentage of mandays utilized in farm activities indicates an increasing tendency, whereas the percentage of mandays utilized in non-agricultural activities as well as the percentage of mandays spent in family affairs, social affairs and in sickness indicate a decreasing tendency with an increase in the size of holdings. Among the farm activities the percentage of family human labour days spent in crop production as well as in horticultural activities is the lowest on the marginal size of holding group and it shows an increasing tendency with an increase in the size of holdings, whereas contrary to it the percentage of mandays spent in looking after cattle is the highest on the marginal size of holding
group and it shows a decreasing tendency with an increase in the size of holdings. Among the non-agricultural activities the percentage of mandays spent in business activities shows an increasing tendency with an increase in the size of holdings, whereas contrary to it the percentage of mandays spent in household industries, wage work shows a decreasing tendency with and increase in the size of holdings. Among necessary activities the percentage of mandays spent in family and social affairs as well as in sickness shows a decreasing tendency with an increase in the size of holdings. This pattern of human labour utilization among the different holding groups exist mainly due to the reason that the households falling on the smaller size of holding group due to their uneconomic size of holding are not in a position to find enough gainful employment opportunities on their own tiny family farm in order to earn the livelihood of their family members and as a result of it especially the male members shift to the non-agricultural sector mainly to get wage work or the low paid jobs, whereas contrary to it the households falling on the large size of holding group due to sufficient cultivable land as well as on account of their sound and regular sources of income are either utilizing maximum of the human labour days in agricultural activities or are engaged in well paid services and business activities in the non-agricultural sector. It is important to mention here that the households falling on the smaller size of holding group has nothing to do gainful during the lean agricultural seasons as a result of it they
are spending comparatively higher percentage of mandays in looking after cattle, family and social affairs (see Table 6.4).

The percentage of unemployment has been worked out highest with the help of time, income and willingness criterion i.e. 24.18, 58.35 and 11.01 respectively on the marginal size of holding group and it shows a decreasing tendency with an increase in the size of holding. It happened mainly due to the uneconomic size of holding, high illiteracy percentage and higher dependency ratio among the smaller size of holding groups as compared to the larger size of holding group. It is important to mention here that on account of irregular sources of household income, higher dependency ratio, higher debt burden as well as due to family and social liabilities the workers on the smaller size of holding group are willing to work on existing wage rate for over and above the full employment norms, whereas contrary to it the households falling on the large size of holding group on account of their sound and regular sources of households income and social status, consider the wage work below their dignity and hence indicate signs of voluntary unemployment (For details see Table 6.5).

The percentage of income derived from farm activities as well as from livestock activities shows as decreasing tendency, whereas the income earned from horticultural activities indicates an increasing tendency with an increase in the size of holding. Among the
sources of non-farm income the percentage of household income earned from services, household industries, income of spouse and pension shows an increasing tendency with an increase in the size of holding, whereas the percentage of household income earned from wage work indicates a decreasing tendency with an increase in the size of holding. It is important to mention here that the households falling on the smaller size of holding group due to their uneconomic size of holdings and high illiteracy percentage among them are deriving maximum income either from farm activities through intensive cultivation of their tiny holdings or through wage work and low paid jobs in from the non-agricultural sector, whereas contrary to it the households falling on the larger size of holding group due to sufficient cultivable land and high literacy percentage among them are deriving maximum proportion of their household income either from horticulture or from services including the income of spouse (see Table 6.8).

The percentage of total household consumption expenditure spent on food-items is the highest on the marginal size of holding group i.e. 75.68 percent which decreased to 70.45, 63.29 and 57.72 percent on the small, medium and large size of holdings respectively, whereas contrary to it the percentage of total household consumption expenditure spent on non-food items is the lowest on the marginal size of holding group which increases with an increase in the size of holding to 29.55,
36.71 and 42.28 percent on the small, medium and large size of holding respectively. Thus the above pattern of household consumption expenditure is in pursuance of the 'Engel's law of consumption' which states that as the income increases the percentage expenditure on food-items decreases and the percentage expenditure on non-food items increases (for detail see Table 7.3)

The magnitude of absolute poverty in the present study has been worked out with the help of Nutrition and Nutrition plus Approach. Under the Nutrition Approach the magnitude of absolute poverty has been worked out by calculating the value of recommended consumption basket (at the local prevailing prices in the study area during 1992-93) providing 2400 calories per consumer unit per day which has been suggested by the Nutrition Experts (1980). The value of per consumer unit per month recommended consumption basket come out Rs. 191.70 (see Table 7.8). The value of per consumer unit per month actual consumption basket at the local prevailing prices has also been calculated by size class of holding which come out Rs. 188.78, 201.89, 228.90 and 292.00 on the marginal, small, medium and large size of holdings together respectively. On all holdings together the value of per consumer unit per month actual consumption of food-items come out 216.36 (see Table 7.5). Therefore, all those consumer units who are spending on food-items per month less than the value of per month per consumer unit recommended consumption basket (i.e. Rs 191.70) are treated 'poor' and the consumer units
who are spending on food-items more than the value of recommended diet are treated 'not poor' according to Nutrition Approach. On the basis of Nutrition Approach the percentage of poor has been worked out 53.25, 35.65 and 1.85 on the marginal, small and medium size of holdings respectively. Among all the households together the percentage of poor come out 28.27 percent.

With the help of Nutrition Plus Approach the percentage of poor has been worked out by making allowances to non-food items by taking into account the topography, climatic conditions as well as the nature and intensities of the economic activities carried out in the area under study. The minimum food requirements is 'necessary' but not 'sufficient' for the existence of mankind. A certain minimum amount of non food-items is equally important for the survival of mankind. No specific norm comparable to 'minimum calorie' requirements has so far been suggested by any Government agency of individual scholar for non-food items. In the present study inorder to work out the realistic estimates of absolute poverty, due allowances has been made to non-food items by calculating the ratio of total non-food expenditure among all the sample households. This ratio of per consumer unit per month total non-food expenditure to the total non-food expenditure to the total food expenditure come out 53.81 percent (i.e. 54%). Therefore, the value of poverty index with the help of Nutrition Plus Approach come out Rs.
294.85 (i.e. Rs. 191.70 on food-items plus Rs. 103.15 on non-food items) in the area under study (For detail see Table 7.7 and Table 7.8). Thus all those consumer units who are spending per month less than Rs. 294.85 on both food and non-food-items have been considered 'poor' in the present study according to the Nutrition Plus Approach. Therefore, according to this approach the percentage of poor has been worked out 58.35, 42.59 and 6.10 among the marginal, small and medium size of holding group respectively. Among all the households together the percentage of poor come out 33.04 percent. The magnitude of poverty with the help of Nutrition Plus Approach come out higher as compared to the estimates of poverty worked out with the help of Nutrition Approach only (see Tables 7.9 and 7.10). It clearly indicates that all empirical investigations on poverty which are based only on Nutrition Approach have underestimated the magnitude of poverty.

In the present empirical investigation the dimensions of relative variations in the distribution of household productive assets, durables, income and consumption expenditure (i.e in both food and non-food items) by size class of holding have been worked out with the help of Lorenz curve and Gini-coefficient. The magnitude of relative poverty has also been worked out with the help of Head Count Ratio. The value of Gini-coefficient for the distribution of household productive assets come out 0.1328, 0.1740, 0.2275 and 0.3238 on the marginal,
small, medium and large size of holding groups respectively, whereas, for all the holding groups together the value of Gini-coefficient for the distribution of productive assets come out 0.1885. The value of Gini-coefficient for the distribution of household durables come out 0.1119, 0.1551, 0.2115 and 0.2786 on the marginal, small, medium and large size of holding respectively, whereas for all the holdings together this value come out 0.1660. The value of Gini-coefficient for the distribution of household productive assets and durables by size of holdings clearly indicate that the relative variations in the distribution of productive assets is comparatively higher as compared to the variations in the distribution of household durables. Further the variations in the distribution of both productive assets and durables is the minimum on the marginal size of holding group and it shows an increasing tendency with an increase in the size of holding. The value of Gini-coefficient for the distribution of both productive assets and household durables by size class of holdings has been worked out 0.1232, 0.1640, 0.2157 and 0.3151 on the marginal, small and medium size of holding respectively, whereas this value of Gini-coefficient for all the holdings together come out 0.1786. With the help of aggregated analysis the value of Gini-coefficient for the distribution of household productive assets durables and both productive assets and durables come out 0.1885, 0.1660 and 0.1786 respectively, which indicate overall inequality in the distribution of productive assets and durables among
all the holding group together without indicating the extent of inequality by size class of holding. Hence the disaggregated analysis is more helpful from the policy of view, inorder to achieve equality in the distribution of household productive asset and thereby in the level of income and standard of living of the different sections of the society (For details see Chapter VIII).

The value of Gini-Coefficient for the distribution of household income by size class of holding has been worked out 0.1269, 0.1557, 0.2015 and 0.2905 on the marginal, small, medium and large size of holdings respectively, whereas among all the holding groups together this value of Gini-coefficient come out 0.1855. The values of Gini-coefficient for the distribution of household income with the help of disaggregated analysis (i.e. by size class of holding) clearly indicate that the variations in household income on the marginal size of holding group is the minimum due to the reason that these households are living on subsistence level, and the variations in the distribution of income indicate an increasing tendency with an increase in the size of holding. Thus the disaggregated approach is helpful to launch a group specific income generating programmes with a view to reduce the variations in the distribution of income between the better-off and worse-off sections of the society (For details see Chapter IX).

The magnitude of relative poverty
among all the households with the help of. Head Count Ratio
has been worked out 38.82 percent. The variations in the
distribution of household monthly consumption expenditure
on both food and non-food items have been worked out by
size class of holding with the help of Lorenz curve and
Gini-coefficient. The values of Gini-coefficient for the
distribution of per consumer unit per month consumption
expenditure on food-items has been worked out 0.0981,
0.1133, 0.1554, 0.2389 and 0.1437 on the marginal, small,
medium, large and all holdings together respectively. The
value of Gini-coefficient for the distribution of per
consumer unit per month consumption expenditure on non-
food items come out 0.0944, 0.1267, 0.1688, 0.2497 and
0.1653 on the marginal, small, medium, large and all hold-
ings together respectively. The values of Gini-coefficient for
the distribution of per consumer unit per month total
consumption expenditure (i.e. both on food and non-food
items) have been calculated 0.0964, 0.1148, 0.1580, 0.2238
and 0.1424 on the marginal, small, medium, large and all
holding groups together respectively. The different values
of Gini-coefficient by size class of holdings for the
distribution of per consumer unit per month consumption
expenditure on food, non-food and both on food and non-food
items together clearly indicate that the variations in the
consumption of food, non-food and both food and non-food
items is the minimum on the marginal size of holding group
and it indicate an increasing tendency with an increase in
the size of holding. Secondly the variations in the distri-
distribution of per consumer unit per month consumption expenditure on non-food items is more as compared to the variations in the distribution of per consumer unit per month consumption expenditure on food-items. It happened mainly due to the sharp variations prevailing in the distribution of per consumer unit productive assets and thereby in household income by size class of holdings in the area under study (For details see Chapter X).

The surplus of household income over the household consumption expenditure results in household savings, which if invested in productive activities, further multiply the household income. The deficit of household income over the household consumption expenditure is met out by way of taking loans which results in household indebtedness, which is further multiplied by the quite high rate of interest over a period of time and consequently the households fall in the 'debt trap' and thereby in the 'vicious circle of poverty'. The Welfare State like that of ours then come forward with employment creating and income generating programmes for the worst-off. If section of the society with a view to reduce the variations in the distribution of productive assets and income on the one hand and to lift then above the poverty line by raising their income and thereby taking them out of the 'debt trap' as well as the vicious circle of poverty on the other. With the help of Current Account Method the magnitude of household saving on the marginal size of holdings
turned out negative due to the surplus of household consumption expenditure over the household income. The magnitude of household saving on the small size of holding group turned out positive but the amount is negligible which go on increasing with an increase in the size of holding (see table 11.1). Similarly with the help of Balance Sheet Method the household saving on the marginal size of holding group also turned out negative, whereas on the small size of holding group the household saving come out positive and it indicates an increasing tendency with an increase in the size of holding (see Table 11.2).

The per capita burden of debt have been worked out highest on the marginal size of holding group (i.e. Rs. 714.00) and it shows a decreasing tendency with an increase in the size of holding i.e. Rs. 594.00, Rs. 218.00 and Rs. 176.00 on the small, medium and large size of holding respectively. The highest per capita burden of debt on the smaller size of holding group resulted mainly due to the loans taken from the moneylenders at a very high rate of interest especially to meet out the non-productive household requirements (For detail see Table 11.3). The percentage of households included under the Integrated Rural Development Programme indicates a decreasing tendency with an increase in the size of holding. Whereas contrary to it the percentage of beneficiaries who reported to be satisfied with the distribution of benefits under the programme indicates an increasing tendency with an increase in the size of holding. The percent-
age of beneficiary households who are not satisfied with the distribution of benefits under the Anti-poverty programmes either due to the unfair distribution and/or non-matching of benefits to their requirements is the highest on the smaller size of holdings and it indicates a decreasing tendency with an increase in the size of holdings (see Table 11.4).

Due to the implementation of Anti-poverty Programme the value of household assets, household income and household employment on the marginal size of holding group increased by 18.06, 34.49 and 50.54 percent respectively, whereas the percentage increase in the value of household assets, income and employment come out 19.84, 38.40 and 35.78 on the small holdings and 5.94, 19.12 and 10.92 per cent on the medium size of holding respectively. Except the percentage increase in household employment opportunities the better-off households benefited the most and the least better-off households benefited the least from the implementation of Anti-poverty programmes (see Table 11.5).

The percentage of households who reported to have received full justice from the Gram panchayats and Co-operative Societies has been worked out the lowest on the marginal size of holding group (i.e. 49.12%) and it shows an increasing tendency with an increase in the size of holding, whereas contrary to it the percentage of households who reported dissatisfied either due to lo
social and economic status and illiteracy or due to favouritism on the part of the functionaries come out highest on the marginal size of holding group and it indicates a decreasing tendency with an increase in the size of holdings (See Table 11.6). Thus due to the lack of initiative and involvement on the part of the beneficiaries on account of their low social and economic status, high illiteracy percentage, lack of purchasing power on the one hand and due to the lack of initiative and favouritism on the part of the functionaries in the implementation of Poverty Alleviation Programmes as well as in the Gram Panchayats and Co-operative Societies the due benefits have not been received by those households to whom they were meant. As a result of it the better-off households benefited the most and the least better off benefited the least from the implementation of Poverty Alleviation Programme as well as from the functioning of Gram Panchayats and Co-operative Societies in the area under study.

The existence of socio-economic disparities in a country or in a region is not desirable from the point view of balanced development with social justice and it requires to 'empower the people' as the central strategy to social and economic development to sustain human progress. It is being increasingly realized that an effective way of raising incomes of the low-income sections of the population is to ensure provision of greater opportunities for gainful work to such sections. Some special programmes aimed at providing or
expanding employment opportunities to different low-income sections have been formulated and are under execution. The success of these programmes in achieving their objectives would depend upon the detailed and correct understanding of the problems faced by the low income sections in finding opportunities for gainful work. Given the political will an appropriate strategy, such a self-reliant and equitable growth does not seem a distant possibility in our economy. It calls for a 'style of development' that is congruent with the resource endowments of the economy. It also calls for a strategy of development that makes direct attack on the worst form of socio-economic disparities, through massive rural transformation by increasing employment and work opportunities. It would demand securing access for the small farmers and the self-employed of those inputs and services that will enhance their productivity. Socio-economic disparities are complex and interactable that a war against these disparities will have to be waged effectively on all fronts by taking an integrated approach for development through a comprehensive 'policy package.'

But it would be difficult to achieve economic and social development consistent with social justice unless there were appropriate reforms in the political and economic institutions as well. It is necessary to set the social and economic process within the surroundings of suitable political and legal institutions. Without these background institutions the outcome of the
distributive process will not be just. As growth continues, its benefits are more widely spread but there are a number of obstacles that limit the share received by the poor. The rapid growth of population of the past forty five year has led to an excess supply of unskilled labour. Since they can not be absorbed in wage employment the bulk of the poor are self-employed small farmers, rural artisans and members of the rapidly growing urban 'informal sector'. For these poverty groups, income growth is limited by lack of access to land, capital and other public facilities, often by outright discrimination. To some extent they are outside the organized market economy and have only weak links with it. The lot of rural households has not been improved due to the high concentration of land in the hands of few, the uneconomic size of holdings of the marginal and small farmers and the high proportions of landless labourers, which led to the low utilization of land and labour, low earnings and inadequate consumption.

The rural poverty and unemployment eradicating programmes should be conceived in such a manner that on the one hand the inequalities in the ownership of major rural productive resources i.e. land and livestock be reduced and on the other increased income and employment opportunities be provided inorder to reduce the socio-economic disparities among the rural households by designing overall programmes or 'policy package' rather than a set of isolated projects.

In India the planning process
began in 1951 with the launching of the First Five Year Plan and we are now in the Eighth Five Year Plan. The planning endeavour in India has already covered more than four decades, and failure of these Five Year Plans to yield tangible results in terms of visible improvement in the standard of living of the people belonging to the lower strata has understandably, bred some amount of scepticism among the articulate sections. Meanwhile, the planners and the economists who provide intellectual ballast to policy formulation—will do well to ponder as to why one of the major goals of planning, viz; reduction of wealth and income disparities, has not been achieved during nearly 45 years of planning. In agriculture, despite the policy of land reforms pursued by the planners in practically all the plans, there is a high concentration of land ownership, with poor farmers owning tiny uneconomic bits. Again, despite the ceiling legislation, the land acquired for redistribution to farmer tenants and to the land-less remains pitifully small. In the distribution of inputs eg. seeds, fertilizers, credit etc; too, the well-off farmers acquires more than his fair share. The Indian planners have definitely not achieved the desired goals, in creating additional jobs not only to the backlog of unemployed but also to the new entrants into the labour force, in providing minimum needs to those who are below the poverty line, in reducing the disparities in the distribution of wealth (i.e. assets) income and consumption expenditure; in
ensuring the real involvement of the masses in social institutions in particular and in the planning endeavour in general.

Thus inorder to reduce the socio-economic inequalities between the 'poor' and 'not poor' as well as to raise the levels of living of the poor households through increased availability of productive assets, skill formation and gainful employment opportunities, the planning strategy of rural development should be judicious mix of beneficiary oriented programmes, human resource development and infrastructure development. The emphasis should be placed on the minor irrigation, soil and water conservation, co-operation, rural roads and land reforms in the infrastructural sector; drinking water supply, general education, technical education and health in the social service sector; horticulture, animal husbandry, dairy development, fisheries and forestry in the agricultural sector and small village and cottage industries in the industrial sector. A suitable and effective mechanism for economic and social development should be initiated for the removal of poverty, inequalities and unemployment as well as to foster stable societies inorder to promote social Integration, human dignity and to attain full and equal access to education.