CHAPTER-1

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Introduction

Poverty is pronounced as deprivation in well-being, and comprises of many dimensions. It includes low incomes and the inability to acquire the basic goods and services necessary for survival with dignity. Poverty also encompasses low levels of health and education, poor access to clean water and sanitation, inadequate physical security, lack of voice and insufficient capacity and opportunity to better one’s life.

At the United Nation’s world summit on social development, the ‘Copenhagen Declaration’ described poverty as “a condition characterized by severe deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information”\(^1\). When people are unable to eat, go to school, or have any access to health care, then they can be considered to be in poverty, regardless of their income. Further, it is well documented that most poor families in the world spend 80 per cent of their total income on food grains and insufficient purchasing power deprives them from accessing food in right quantity.

The Oxford Poverty and Human Development Initiative study by University of Oxford (2010), poverty and human development initiative presents a distressing scenario. The magnitude of poverty in eight Indian states namely Madhya Pradesh, Chhattisgarh, Jharkhand, Uttar Pradesh, Bihar, Rajasthan, Orissa and West Bengal has been measured higher than the most chronically affected poor nations of Sub Saharan Africa. Interestingly these eight states contribute significantly to India’s fast growing economy. The multi dimensional view of poverty in these states take into account the multiple deprivations of rural poor from basic services, rights and entitlements.

A task force of the Planning Commission in 1979 defines the poverty line as that per capita expenditure at which the average per capita per day

calorie intake was 2400 calories in rural areas and 2100 calories in urban areas. But Tendulkar Committee (2009) has defined the poor based on a normative living standard. It has moved away from calorie intake as the criterion and considered per capita consumption expenditure on commodities and according to the report the number of poor in India is estimated at 37.2 per cent. On the other hand the Arjunsen Gupta (2009) report had stated that 77 per cent of Indians live on less than twenty rupees a day. While N.C. Saxena Committee (2009) report stated that 50 per cent of people live below poverty line.

Problem of poverty in India is a problem of low national income and its unequal distribution at a slow pace of development. Poverty is a product of the total system of a country i.e. economic, technological, social, educational, cultural, political and moral. It is a product of social inequality and exploitation on the one hand and under-development on the other. It results from unequal growth, slow growth as well as absence of growth.

Though all our Five Year Plans ever since independence have stressed on the need for removal of poverty and inequalities, it was the Fourth Five Year Plan which explicitly focused on poverty removal. From this period, the era of anti-poverty programmes began and a whole lot of such programmes were launched one after the other. The failure of structural and technological interventions led the government to think in terms of commencing the programmes which would directly attack the poverty problem. All these programmes aim at generation of additional income and assets, provision of employment, loan and subsidy to assist the families living below the poverty line.

**Definition of Livelihood**

A livelihood comprises of capabilities, assets, both material and social resources and activities required for a means of living. In 1991 Robert Chambers and Gordon Conway proposed the following composite definition of a sustainable rural livelihood, which is applied most commonly at the
household level; “A livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable if it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term”\(^2\).

The most common livelihood of the poor are wage labour, cultivation on small and marginal landholdings or as tenants, cattle rearing, collecting forest produce, fishing etc. The most common non-farm livelihood are the traditional occupations i.e. weaving, carpentry, black-smithy, washing clothes etc. The net income and employment days from these livelihood are not adequate to meet their expenditures.

Rationale for Restructuring of Swarnjayanti Gram Swarozgar Joyja (SGSY) as National Rural Livelihood Mission

The need for restructuring the Swarnjayanti Gram Swarozgar Yojana has arisen on account of feedback provided and recommendations made by various studies including those conducted by National Institute of Rural Development (NIRD), Hyderabad; Bankers Institute of Rural Development, Lucknow; Centre for Management Development, Thiruvananthapuram etc. and reports of the Steering Committee constituted by the Planning Commission for the 11\(^{th}\) Five Year Plan. Further, the Ministry of Rural Development, Government of India has accepted the recommendations of the Committee on Credit Related Issues under Swarnjayanti Gram Swarozgar Yojna (SGSY) (Prof. Radhakrishna Committee) to create a National Rural Livelihoods Mission (NRLM) to provide greater focus and momentum for poverty reduction to achieve the Millennium Development Goals (MDGs) through rapid increase in the coverage of rural poor households under self-employment. In addition to self employment, the Mission would also help in enhancing the

capabilities of poor households and facilitate access to other entitlements such as wage employment and food security and benefits of Indira Awaas Yojana (IAY), drinking water, land improvement, education and health and risk mitigation through convergence and coordination mechanism.

Review of Literature

Poverty and livelihood are worldwide problems. The administration of poverty alleviation programmes has become a considerable subject to the scholars and practitioners of Public Administration. Therefore, it has become a subject of serious discussion and debate in academic and policy making arena. As a result there have been some informed discussion and scholarly articles on various aspects of poverty and rural livelihood.

Thimmaiah (1997)\(^3\) pointed out that rural people still suffer from the lack of all-weather roads, streetlights, health and education facilities, access to quick mode of transport. The very fact that they live in rural areas which are predominantly dependent on agriculture is itself a disadvantage. Punjab and Haryana have shown that it is possible to increase the income levels of the rural people by increasing the productivity of agriculture and also by diversifying the commercial crops. But correspondingly, basic minimum services have not improved even in these two states. But the new Panchayati Raj Institutions constituted under the 73\(^{rd}\) Amendment to the constitution should endeavor to provide basic minimum services to the rural people which go to improve the quality of life in rural areas.

Lahiry (1997)\(^4\) analyses the development scenario in the country before and after Independence, the author says that pauperization among the peasantry is at an alarming pace pushing more and more people below the poverty line. The lack of political wills the apathetic attitude of the bureaucracy and manipulations by the vested interests have stood in the way of effective implementation of land reforms. The hope of eliminating poverty by creating

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conditions of an expanding economy has not worked because the process of industrialization had failed to absorb the surplus rural labour. With the benefits going to the ineligible persons and leakages due to corruption, a great majority of the really poor remain deprived as ever.

**Prasad (1997)**\(^5\) expressed that a policy of liberalisation alone has a very limited potential for removal of poverty in India in the near future. Deliberate public policy measures are needed to tackle this problem. This calls for a new approach. Functional integration of various schemes coupled with participatory planning and area development approach would go a long way in addressing the task. Strengthening of the implementation machinery for improving the delivery and receiving systems is equally important. Satisfactory local level participatory planning would also require identification and demarcation of fields of activities to be planned at different levels, access to adequate funds and availability of reliable data.

**Padmanabhan (1997)**\(^6\) pointed out that the ultimate aim of various rural development programmes is to alleviate poverty. Mere pumping of more funds is not enough. Some sectoral changes of fundamental nature are needed to achieve better results. Identification of the eligible beneficiaries is of utmost importance in the whole process. It is not that no progress has been achieved but the pace and the extent of achievement have not been up to expectations or desired levels. The G.V.K.Rao Committee(1985) also expressed the view that the time had come to take a total view of rural development, encompassing all economic and social development activities handled by different agencies at the field level.

**Narasimha (1999)**\(^7\) in her study on empowering rural women focused that the rural women’s development through Self-Help Groups received priority for the first time during the sixth plan period. The emphasis, however, continue to be on the economic front through programme such as Integrated Rural

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Development Programme, Development of Women and Children in Rural Areas, Training of Rural Youth for Self-Employment and others. It was conceded that none of these projects has delivered the expected results in the form of overall betterment of women’s status in Scheduled Castes and Scheduled Tribes communities. The reasons are lack of identification with the spirit of projects among the officials entrusted with the implementation procedural bases and most important failure to involve the beneficiary population as participants.

Mishra and et.al. (2001)\(^8\) examined Self- Help Groups in terms of Self- Help Groups’ function and its impact on generation of income and employment, to identify the major constraints and problems of rural self-help groups. They suggested that the commercial banks, regional rural banks, primary agricultural co-operative credit societies and other financing institutions as well as the State Government should come forward to help the rural poor through the Self- Help Groups and provide liberalized credit facilities at cheaper rate of interest.

Manikekalai and Rajeswari (2001)\(^9\) in their study analysed the socio economic status of Self- Help Group women in rural micro enterprises and the nature of economic activities and performance in terms of growth indicators such as investment turnover, employment, capacity utilization, sources of finance and supplementary finance, marketing and other related aspects and identify the problems faced by Self-Help Groups women in running the enterprises. They concluded that the provision of micro finance by the Non-Governmental Organisations to women Self-Help Groups has helped the groups to achieve a measure of economic and social empowerment. Further, they also mention that it has developed a sense of leadership, organsational skill, and management of various activities of business, right from acquiring finance, identifying raw material, market and suitable diversification and modernisation.


**Krishnaiah (2002)**\(^{10}\) in his thesis examined the growth and development of Self-help Groups. He felt that the self-help group approach to development was based essentially on the social mobilization model that was being advocated by the different multilateral agencies. In fact the failure of top down bureaucratic approaches to rural development has necessitated the emergence of people based and participatory oriented strategy of development in recent years. He further found that the linkage of Self-Help Groups with banking institutions is proceeding at a rapid rate in the promotion of Self- Help Groups, definitely the social benefits of Self- Help Groups far outweigh the private and social costs of Self-Help Groups.

**Tamilmani (2002)**\(^{11}\) states that a large number of development programmes of different types have been designed and implemented by the central and state governments aiming at enhancing the socio-economic condition of the downtrodden. Many programmes did not succeed in accomplishing the aim for which they were created. The fundamental reason, as everyone accepts, is that people are not given a role to play in identifying, analysing and prioritizing their needs and finding ways and means to solve their problems. Peoples’ voice is often ignored. The top-down, hierarchical approach in identifying peoples’ need through evaluation of the impact of the projects must be replaced by participatory approach. Participatory approach must be introduced at all stages of the projects, if we are really concerned with peoples’ empowerment. As this approach brings the people to the focus in the project activities, the results would certainly be fruitful and rewarding for the people as well as for the implementing agency.

**Shanmugam (2002)**\(^{12}\) conducted a study on National Bank for Agriculture and Rural Development (NABARD’s) initiatives in Women Empowerment. In his

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study he has covered aspects like National Bank for Agriculture and Rural Development (NABARD’s) experience in women development, National Bank for Agriculture and Rural Development (NABARD) exclusive schemes for women. Women Self Help Groups, highlights of Self-Help Groups linkage and strategy for gender equality by institution agencies. The researcher finally concludes that National Bank for Agriculture and Rural Development (NABARD) has also seized of the need for transition of the Self-Help Groups members as micro entrepreneurs with gainful employment opportunities for sustainable income generation. Empowerment of women will be truly meaningful if their economic upliftment is also ensured side by side in order to enable the poor women lead a decent, prosperous and respectful life.

**Wilson and Maro (2002)**\(^{13}\) studied the role of Self-Help Groups in preventing rural emergencies, throughout India. Flood, cyclone, drought, earthquake and landslide threaten the survival of rural households. Natural disasters quickly turn into emergencies for poor families because of their extreme physical and socio-economic vulnerability. Traditionally, conventional response by the relief service providers–government institutions, donors and local Non-Governmental Organisations focus on responding to an emergency as it happens. Shortcomings of this approach are a disaster becomes an emergency, responses often exclude women’s priorities, local markets become depressed, logistics are uncoordinated and responses do not leverage local resources. The findings of the review revealed dramatic reduction in costs of relief effort using Self-Help Groups. Besides reduction in relief cost, there was improvement in socio economic results.

**Harper (2002)**\(^{14}\) made a study on the role of Self-Help Promotion Institutions (SHPIs) in the promotion of Self-Help Groups. The objective of this study was to examine and compare the different ways Self-Help Promotion Institutions (SHPIs) promote Self-Help Groups in order to enhance the efficiency and

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quality of the Self-Help Groups promotion process. The banks, particularly co-operatives are linked in the medium term to be the main Self-Help Promotion Institutions. They should support and eventually be replaced by Self-Help Groups members own initiatives. The Self-Help Promotion Institution roles of Self-Help Groups federations and of non-volunteer individuals should be examined. Incentive Schemes for Non-Governmental Organisations and to individuals should be redesigned and tested in order to cover the full costs of the Self-Help Promotion Institutions. The management of the schemes to encourage Self-Help Groups promotion should be experimentally delegated to banks, in order to avoid the problems caused by National Bank for Agriculture and Rural Development (NABARD’s) within district representation and to take full advantage of banks greater field coverage.

**Siddiqui (2003)**\(^{15}\) observed that the focus of India’s planning since independence is also on the improvement of rural areas by creating infrastructure and employment opportunities for rural population. In spite of many developmental efforts made by government bodies and Non-Governmental Organisations the percentage of rural population in total population of India continues to be on the decline. The census data reveals that in 1901, the rural population of India was 89.28 per cent of total population which came down to 74.30 per cent in 1991 and further to 72.22 per cent in the year 2001. This decline shows a high degree of rural exodus. So there is a need to create employment opportunities for rural youth in order to address alarming migration rate of rural youth to urban areas in India.

**Shylendra (2004)**\(^{16}\) made an attempt to critically assess the Self-help Groups Bank linkage programme focusing on its approach and the strategy and arrive at possible ways to take it forward. He concluded that the key to success lies in retaining the basic character and strength of Self-Help Groups along with

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integrating them appropriately with outside systems to meet the needs of the members in an endearing way.

**Srivastava (2005)** focused the extent to which Self-Help Groups build up confidence and mutual support for women striving for social change by establishing a forum in which they can critically analyse their situation and devise collective strategies to solve their problems. The study also examined the impact of Self-Help Groups in the economic sphere, and to assess how these Self-Help Groups are working for the establishment of gender equality. He suggested that although Self-Help Groups under study have made some impact on the lives of women members but the impact is not significant.

**Lalrinliana and Kanagari (2006)** analysed that Self-Help Groups are emerging as major agents of development and empowerment of weaker sections in the third world. In India since the beginning of the Ninth Five Year Plan, most of the development programmes are channeled through Self-Help Groups. In all the parts of the country, Self-Help Groups are organized by governmental and non-governmental organizations. The government, banks and non-governmental organizations facilitate them by providing revolving fund, organizational base and training. It is worthwhile to call Self-Help Groups a mass movement on a national scale for development and empowerment of the poor and downtrodden in the country.

**Jha (2006)** found that increased housing activity triggers employment opportunity in an area which enhances the per capita income of a family which may further improves the demand for housing. So an effective housing policy could play a crucial role in employment generation and arresting migration of population from rural to urban areas.

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Puri (2006) expressed that the National Rural Employment Guarantee Act is a revolutionary step for India’s poor. Since independence, it was being demanded that right to work should be included in the list of Fundamental Rights. It was a matter of concern for all governments that in spite of their best efforts, the problem of unemployment and poverty never came under control. Therefore, the objective of The National Rural Employment Guarantee Scheme is to enhance the livelihood security of people in rural areas by generating wage employment through works that develop the infrastructure base of that area.

Gangaiah and et.al. (2006) mentions in their study that the emerging changes in the values and attitudes of the members of the Self-Help Groups are a clear manifestation of socio-economic empowerment interventions yielding relatively quicker results. The socio-economic programmes reinforce each other and promote all-round development of the children, the women, the households and the communities. It is a process which ultimately leads to self-fulfillment of each member of the society. It is in this direction that Self-Help Groups are moving towards fulfilling their objectives with a meaningful strategic direction. No doubt any financial assistance, if utilized properly, generates gainful employment opportunities in the rural economy. And there is a symbolic relationship between generation of income and employment opportunities and the potential of employment can be judged by the amount of income generation in any activity.

Pattanaik (2007) states that agriculture is the mainstay of rural population and more than 70 percent of population depends on agriculture for their livelihoods and still it is the main source of employment in rural India. Creation of employment opportunities during the lean season would check out the migration of rural youth to cities for employment. Capacity building of youth and women in agriculture and allied activities would generate their

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interest in primary sector, which will further help to minimize the adverse effect on agriculture in the long run.

Singh (2007)\textsuperscript{23} pointed out that the lack of access of rural youth to education, skill, healthcare facilities and resources limits their role in the emerging non-agriculture sectors, while their counterparts in the urban areas have better access to education, skills, basic amenities, and resources and participate productively in the developmental activities. Central and State governments have launched a number of schemes targeting the rural people, however emphasis of most of these schemes is more on livelihood protection rather than on income and wealth generation on sustainable basis.

Saravanan and John (2007)\textsuperscript{24} expressed that the development model that India adopted since independence has led to vast regional disparities. Urban areas are highly developed and have all the modern amenities, whereas, rural areas are grossly underdeveloped, dependent mainly on agriculture and lacking in even basic necessities such as pure drinking water, electricity and good all weather roads. To tackle this problem the former President of India had proposed the concept of PURA (Providing Urban Amenities in Rural Areas) in the ‘Vision-2020’ project initiated by him.\textsuperscript{3} Its objectives are to make rural areas attractive to investor as cities are. Then, rural areas too will generate urban-style employment to halt rural-urban migration. Providing urban facilities in rural areas enterprises can undertake management of schools, health care units, vocational training centers, chilling plants, soils and building a market, building of local industrial parks, tourism services, banking system and the regional business or industrial units. A new management style has to emerge for managing such type of facilities in rural areas. An enterprise needs partnership from the bank, educational institutions, Government and the private entrepreneurs.

\textsuperscript{24} Saravanan, V. and Peter S.Michael John, “Rural urban parity: Need for rural development in India”, Kurukshetra, vol.55 no.6, April 2007, pp.36-39.
Sengupta (2008) mentions that more than three-fourths of Indians are poor and vulnerable with a level of consumption not more than twice the official poverty line. This proportion of the population which can be categorized as the “common people” is much higher among certain social groups, especially for scheduled castes and scheduled tribes. There is also evidence to suggest that inequality is widening between the common people and the better-off sections of society. Because of crises in agriculture and the climate change, the vulnerability in rural areas is increasing over the years. Therefore any comprehensive rural poverty alleviation programme should target about three-fourths of the rural households. It does not mean that the government should provide subsidies and other direct benefits to three-fourths of the households. But the government should provide the enabling environment for the people to come out of poverty and improve their economic condition. Financial inclusion is the most crucial enabling service.

Nayak (2008) expressed that in the framework of sociological analysis of vulnerable poverty, inequality and backwardness of weaker sections, the main underlying assumptions in social economic handicaps rooted in social, economic and religious institutions have rendered certain groups of society severely disadvantaged. They have been denied opportunities to participate in the socio-economic affairs and interaction in society. Therefore, in search of emerging trends towards solving the “Problems of weaker sections in Indian rural society” two great sociologist Mukharjee and Desai pointed out that social reality of weaker sections lies in the interaction between culture and society. In the ultimate analysis, it was found that true comprehensiveness of backwardness in Indian society is due to caste. Thus, the basic cause of economic backwardness of weaker sections is the caste system, the feudal type of economic structure and continued imbalance between population and resources. It needs strategic programme goals of increased production,

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household incomes and consumption towards food security and basic need of self-sufficiency founded on local resource control.

**Kanmony (2010)** viewed that The National Rural Employment Guarantee Scheme has brought in a silent revolution in the rural areas by providing stable employment and livelihood security to the vulnerable and marginalized. The most benefited because of this scheme are the poorest and most marginalized communities particularly scheduled castes, scheduled tribes or people below poverty line. In short, it is easy to infer that, The National Rural Employment Guarantee Scheme provides not only food security but also financial security to the rural masses particularly the poor and the marginalized.

**Shiralahetti (2010)** focuses on women empowerment through Self-help Groups. The author highlighted the reasons for joining Self- Help Groups. Purpose and repayment of loan, monthly income, expenditure and savings pattern before and after joining Self-Help Groups. He also highlighted opinion of Self- Help Groups members regarding increase in power of family decision making. It concluded that there has been tremendous progress in the social and cultural environment in India. Women are now participating in all productive activities and are at par with men, the Self-Help Groups movement in India has been working in the right direction, but is necessary to empower more and more women is social, cultural, economic, political and legal matters for the interest of the family in particular and the nation in general.

**Tripathy and Mishra (2011)** pointed out that though India is one of the largest producers of the food in the world, yet nearly 300 million people struggle for meeting two square meals a day and 21 per cent of the national population is malnourished. This indicates the issues of accessibility to adequate and nutritive food to the poor. The Public Distribution System is the main plank of India’s food management initiatives. The food management aims

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at procuring food grains from farmers at remunerative prices, distributing food grains to consumers, particularly, the poor and the vulnerable sections of society, at affordable prices and maintaining food buffers for food security and price stability. The off-take of food grains is primarily under the Targeted Public Distribution System (TPDS) and for other welfare schemes of the Government of India i.e. Antyodaya Anna Yojana (AAY), Mid-DAY Meal Scheme (MDMS), Wheat Based Nutrition Programme, Annapurna Scheme, Food for Work Programme and Village Grain Bank Scheme.

Sanyal (2011) observed that since independence rural employment has been the prime agenda of debate in the country as 74 per cent of the unemployed population hails from rural India. For the past three decades India has been implementing rural employment generation programmes. Different innovative schemes and programmes have been initiated time and again in different five year plans. Some have helped achieve goals, be it short or long-term, whereas others have faced technical and implementation snags. In the past, a number of schemes have provided temporary employment on public works programmes at the government’s discretion. Taking into consideration the limitation of earlier employment programs, in recent years the government has taken a historic move by enacting the Mahatma Gandhi National Rural Employment Guarantee Act, which is perhaps the largest employment generating program in the world ensuring a one-step-ahead move towards guaranteeing the right to work in a country with a population over a billion.

Jeyakumar (2011) viewed that most agricultural workers belongs to the depressed classes, which have been neglected for ages. The low caste and depressed classes have been socially handicapped and they had never the courage to assert themselves. They have been like dump-driven cattle. In some parts of India, agricultural labourers are migratory, moving in search of jobs at the time of harvesting. Government measures to improve their lot by legislation

have proved ineffective so far due to powerful hold of the rural elite classes in the rural economy. The government has shown awareness of the problems of agricultural workers and all plan documents have suggested ways and means to ameliorate the lot of these people. Measures adopted by the government for ameliorating the economic conditions of agricultural labourers are passing of minimum wage act, abolition of bonded labourers, providing land to landless labourers, provision of housing facilities to houseless and special schemes for providing employment.

**Somkuwar (2011)** mentioned that the National Rural Livelihoods Mission (NRLM) promises to address the needs of 6.5 crore rural people households and proposes to bring substantial changes in the lives of the rural poor. As the mission document says its focus is on the people led and people –centric organizations. It will follow demand driven approach for release of funds on receipt of state level action plans. About one crore rural youths will be covered. The question is that such ambitious targets can be achieved only with the active support and cooperation of Gram Sabha. The Village, Block level and Zila Panchayats can deal with operations but understanding at Gram Sabha level must prevail. This redesigned programme further seeks to improve livelihood options by strengthening Self-Help Groups is going to make a fundamental difference. The rural livelihoods have got so much prominence for the first time in the post-independence era. Now there is an integrated approach to rural livelihoods. The concept of inclusive growth is in sharp focus. The promotion of rural enterprise through Self Help Groups, individual and community based livelihoods initiatives for strengthening rural economy is a welcome step.

**Sharma (2011)** has conducted a study on the role of women through empowerment with Self-Help Groups. In this study an attempt has been made to economic independence and evaluate the working pattern of Self-help Groups and also study the decision making capacity of members of Self-Help

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33 Sharma Prabhakara, “A study to role of women through empowerment with Self-Help Groups”. March 2011
Groups in their families. He highlights the income position after joining in Self-Help Groups. He found that 80 percent of the group member expressed that their income has been increased after joining Self-Help Groups. However, the remaining 20 percent could not increase their income because they were forced to spend for domestic personal affairs rather than for income generation activities. They also gained experience and freedom in spending their earning in meeting their need. He suggested that effective training programmes for the members of the self-help groups should be short-term in nature. However, effective and efficient working can be done only with the help of long-term and continuous training which can be of great help to the community at large.

**Grimshaw and Kala (2011)**[^34] analysed that poor agriculture performance has contributed to high rural poverty. Historically, in India rates of poverty reduction have been very closely related to agricultural performance, particularly to the rate of growth of agricultural productivity. Recent comparisons made across countries show that increases in agricultural productivity are closely related to poverty reduction. Countries that have increased their agricultural productivity the most have also achieved the greatest reductions in poverty. At the macro-economic level, growth in agriculture has been consistently shown to be more beneficial to the poor than growth in other sectors.

**Iyengar and Wiswanathan (2011)**[^35] observed that Self-help Groups have revolutionised the manner in which formal credit can be brought to the poor and other individuals who may not have been able to access credit from formal institutions such as banks. The group approach to lending has made it possible to provide millions of individuals the means for saving and borrowing in a more transparent manner than ever before. Cooperatives had provided this momentum in the agricultural sector, although the approach faltered for a


variety of reasons including the inability to separate service delivery from political considerations. The experience with Self-Help Groups points to their potential for smoothening of consumption expenditures, and they can be an important safety net for the poor.

Shepherd and Kaicker (2014)\(^{36}\) explained that an employment guarantee can stimulate an improved job market for unskilled workers. India’s employment guarantee, for example, has helped to increase once stagnant rural wages since 2006, because people were able to find alternative local employment in the ‘lean season’, rather than having to migrate or work on a landlord’s farm. This had a knock-on effect on urban open-market wages. Wage increases were also sustained by rapid growth in infrastructure investment as well as private investment in housing, which generated demand for unskilled labour in construction, and the upward impact on wages was sustained across the country.

Hanumantha (2016)\(^{37}\) pointed out that the emergence of the rural non- farm sector as an important source of output and employment holds the prospectus of spatially broad based and environment friendly growth conducive to the well being of the rural poor. Spatially broad based growth would reduce the costs and hardships associated with migration and urban congestion and can ensure a larger volume of employment rather than when growth is limited to high wage pockets.

Non- farm wage income is less variable than income from farming which is subject to weather-induced fluctuations. Small, marginal and semi- medium farmers may be receiving a large proportion of their income as wage income and remittances from non farms sources when compared to the medium and large farmers. As the rural non -farm sector grows, this stable source of their income may predominate, thus drought proofing their incomes. In view of


the rise in land values such farmers may prefer to continue as part time farmers without alienating their land.

Patnaik (2016)\textsuperscript{38} shows his concern about per capita foodgrain output in India. He compared per capita food grain availability in the British India and after the advent of new economic policy of 1991 which was based on liberalization, privatization and globalization. It is noteworthy that between 1990-91 and 2013-14 per capita food grain output in the country remains virtually stagnant. What is even more striking is that per capita food grain availability actually declined over this period. This decline in availability has sought to be explained in the several ways, but there can be little doubt that it is the result of a squeeze in purchasing power in the hands of the bulk of the working people, an instance of “income inflation”. Underlying it is not only the rise in the prices of a host of essential services like health care and education owing to privatisation but also the lack of growth of proper employment despite supposedly impressive gross domestic product growth.

This decline in per capita food grain availability in the period of liberalization should be seen in its historical context. At the beginning of the 20\textsuperscript{th} century in British India average Annual Per Capita food grain availability was 199 kilograms as compared to 163 kilograms in 2011-12. The per capita annual food grain absorption in India today according to Food and Agricultural Organization data is lower than in sub-Saharan African and in the list developed economies.

Thus, there have been many research studies on poverty alleviation and rural livelihood and including the role of government agencies in executing poverty alleviation programmes in India. But the study using the motto of Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs) is missing. Therefore, an attempt is made to fill up the gap by conducting the present study.

\textsuperscript{38} Patnaik, Prabhat, “Economic Liberalisation and the Working Poor”, Economic & Political Weekly, Vol LI No.29, July16, 2016, p 47
Statement of Problem

Poverty and livelihoods are major concerns in a developing country like India. After independence many measures have been taken to cope up with these issues. Many programmes and schemes like Community Development Programme, Integrated Rural Development Programme, Garibi Hatao, Swarnajayanti Gram Swarojgar Yojana and Mahatama Gandhi National Rural Employment Guarantee Act have been launched to provide livelihoods to Below Poverty Line households in rural area but a lot has to be done. Despite many studies on this issue, the problem is still unaddressed. The present study concentrates on the policy and performance of livelihoods programme like National Rural Livelihood Mission and convergence of various schemes under this flagship programme.

Significance of the Study

The efforts have been made to review the concept and estimates of livelihoods in rural areas. In rural areas people are facing the problems of livelihoods opportunity only because of the lack of technical skills and lean season in agriculture sectors. The review of literature indicates that there have been many studies on this issue. The present study is an effort in this direction but with a specific purpose i.e.to find out the extent, nature and role of rural livelihoods scheme in Haryana State. The study is exploratory with descriptive approach and therefore, will help in generating awareness about the implementation process of livelihoods programme in the state.

Objectives of the Study

1. To understand institutional arrangement-Policy and Programmes of National Rural Livelihood Mission.
2. To study organisational framework coordinating the implementation of National Rural Livelihood Mission.
3. To analyse the perceptions of the beneficiaries about the working of National Rural Livelihood Mission.
4. To identify the needs and benefits of National Rural Livelihood Mission in terms of placements in Haryana.

5. To make the suitable recommendations for the effective implementation of National Rural Livelihood Mission in Haryana.

**Hypothesis**

1. People in rural areas are dependent on traditional means of livelihood.

2. People are not aware about the development programmes and schemes launched by government.

3. There is gap in the implementation of welfare schemes for labourers and marginalized farmers.

4. The net incomes and employment days from the current livelihoods are not adequate to meet the expenditures of labourers and marginalised farmers.

5. National Rural Livelihoods Mission ensures adequate coverage of deprived sections of the society.

**Research Methodology**

The present study was conducted in Haryana State. There were four districts namely Bhiwani, Jhajjar, Kaithal and Mewat covered under the study. The districts were selected on the bases of proportion of rural population dependent on agriculture. One block from each district was selected through random sampling under National Rural Livelihoods Mission (NRLM).

Both types of data primary as well as secondary were collected. In order to authenticate the study, survey method was followed. Pilot survey was done before developing schedule/questionnaire.

The Primary data was collected from beneficiary respondents who avail loan facility under National Rural Livelihood Mission (NRLM). For collecting primary data an interview schedule was prepared. There were 200 beneficiary respondents selected from the area of study. Total 100 Self- Help Groups were
selected from four blocks. Two members from each Self- Help Groups selected on the basis of random sampling.

The relevant secondary data was also collected from the books, newspapers, public documents, government reports, and magazines, published articles in various journals of national and international importance.

Further the population of the study was comprised of the stake holders, potential beneficiaries, elected representatives in Panchayati Raj Institutions of the concerned area and the official involved in National Rural Livelihood Mission in covered districts. The list of respondents has been given below in table:-

<table>
<thead>
<tr>
<th>District</th>
<th>Block</th>
<th>No. of Self-Help Groups</th>
<th>No. of Beneficiaries from each Self-Help Group</th>
<th>Total Beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bhiwani</td>
<td>Bawani Khera</td>
<td>25</td>
<td>2</td>
<td>50</td>
</tr>
<tr>
<td>Jhajjar</td>
<td>Matanhail</td>
<td>25</td>
<td>2</td>
<td>50</td>
</tr>
<tr>
<td>Kaithal</td>
<td>Siwan</td>
<td>25</td>
<td>2</td>
<td>50</td>
</tr>
<tr>
<td>Mewat</td>
<td>Taoru</td>
<td>25</td>
<td>2</td>
<td>50</td>
</tr>
<tr>
<td>Total</td>
<td>04</td>
<td>100</td>
<td></td>
<td>200</td>
</tr>
</tbody>
</table>

The data was processed from the interview schedule by tabulation and analyzed with the percentage statistical tool.

**Chapterization:**

The present study classified into the following chapters:

1. **Introduction**

   This chapter comprises of concept of poverty, review of literature on poverty and Self Help Groups, background of National Rural Livelihood Mission, objectives, hypothesis, research methodology and chapterization.
2. **Profile of Haryana State**

   This chapter highlights demography, location, population especially rural and scheduled caste population and self-help groups and administrative setup of Haryana state.

3. **Institutional framework**

   This chapter incorporates the Ministry of Rural Development, Government of India, Rural Development Department, Haryana Government and National Rural Livelihood Mission structure at different levels.

4. **National Rural Livelihood Mission: Implementation**

   In this chapter a detailed study has been made about the procedure of implementation of National Rural Livelihood Mission.

5. **National Rural Livelihood Mission: An analytical study**

   In this chapter an attempt has been made to analyse the process of implementation of National Rural Livelihood Mission.

6. **Conclusions and suggestions**

   This chapter highlights the major findings of the study. Lastly appropriate suggestions have also been made to increase the effectiveness of National Rural Livelihood Mission.