CHAPTER - I
INTRODUCTION

Since the very advent of India's Five year plans during early fifties, a number of programmes have been undertaken by the National Government for improving the economic conditions of the rural poor in the country. It had been unavoidable and essential too, because India is predominantly an agricultural country with majority of its 90 crore population residing mostly in villages all over the country.

In a country where the persons living below poverty line constitute nearly half of the total population the concept of rural development has undergone a considerable change over the last fourty years. In the First Five Year Plan, there was much emphasis on increasing production in agriculture only but in IIInd Five Year Plan emphasis was laid on industry and during Thrid Five Year Plan, again much emphasis was laid on agriculture. All these programmes were undertaken for alleviating the programmes of poverty and employment. The Fourth Five Year Plan, particularly after the submission of the report of the all India Rural credit review committee (1969) the approach has changed from that of production to target population. A number of attempts were made to implement the programmes in the direction of rural development, to suit the needs of the weaker sections, Special agencies such as Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labourers Agency (MFALA) focussing attention on the small and marginal farmers and agricultural labourers were created in pursuance of implementation of the programme but these agencies fixed the target for various types
of activities and assisted the beneficiaries only according to availability of funds. They looked in systematic planning and assessment of the feasibility of the proposed schemes. More over in most of the Blocks, there were more than one programme under implementation. This kind of multiplicity not only caused confusion and problems in management but also to the wastage of funds. Though many sporadic attempts had been made in the past in our country prior to independence for the progress and prosperity of rural economy, nothing appreciable was achieved and the whole rural economy remained virtually stagnant. India adopted the planning approach and the socialistic pattern of society under the frame work of mixed economy from 1951 after attaining political freedom in (1947). During last forty years of planning of our economy; no doubt the achievements in physical terms are manifold in almost every sphere of the national economy but at the same time a quantum of problems related with rural areas, are to be aggravated during this period mainly because of the annual growth rate of 2.5 percent in population since this increasing population has neutralised all the development both in the agricultural and the industrial sectors.

Poverty line demarcation limit had been till now as an average family of 5 members having below Rs. 6400/- but as per 1990-91 official statistics, this limit is now as annual income below Rs. 11000/-.
The above mentioned achievements could not be considered as very spectacular, it has been realized that even crucial socio-economic objectives of planning like creation of employment opportunities and improving economic level in general and of depressed and economically weaker section in particular, have not been fulfilled. It was expected that benefits of economic development would flow down to lower levels automatically but the saddest part being that this did not happen in the prevailing situation of our country. Realising that small and marginal farmers and the Land less labourers, who form the bulk of our rural society had not gained materially through the planning process, special scheme viz. SFDA and MFALA were initiated in 1969 to help these classes in selected areas on the recommendations of the All India Rural Credit Review Committee of the central government which in turn were gradually extended to cover the entire country. In the same continuation integrated area (Rural) development approach was adopted in the programme such as Command Area Development (CAD) and Drought Prone Area Development Programme (DPAP) but by the end of the Fifth Five Year Plan, it was observed that these programmes too were not adequately benefitting the population living below poverty line which constituted the majority of population in rural areas.

Many programmes towards rural/agricultural development e.g. Community Development Programme, National Extension Service, IADP, IAAP, HYVP and other related programme aimed to meet the needs of a particulars area or classes of population and carried out by involving the local leadership in organization of the development process. All these programmes of course were meant to
achieve predetermined objectives related with upliftment of life of rural people, but the isolated approach for rural development in our country could not be fruitful to rural poor. Realising these problems in the management and implementations of rural development programme, the Government of India felt it necessary to reorient the programmes of rural development; for which the first and most desirable step was to merge several programme (specially the SFDA, MFAL/DPAP/CADA) into a single unified programme. Thus emerged the Integrated Rural Development Programme (IRDP) during the Sixth Five Year Plan (1980-85). In the beginning 2000 development blocks (out of the total blocks covered under SFDA, MFAL and CADA crash programme etc.) were brought under the IRD programmes. In 1980 the sixth plan was recasted and the IRD programme was extended to all the 5011 blocks in the country.

The previous experience of planning has shown that economic growth by itself cannot ensure the simultaneous development for all the areas and for all the segments of the population in a planned manner. The inclusion of the Integrated Rural Development Programme in the sixth plan is a recognition of this fact that in the over all concept of macro planning, the importance of micro planning should not be over looked. The growth of national economy show the economic health of the nations in a macro sense but it does conceal the existing problems of poverty and spatial, imbalances caused in this process. Therefore the rural growth of national economy has to be ensured through the specific approach of providing ample opportunity to the sizeable segment of rural
populations with a view to assist them in generation of income to cross the poverty line and thus accelerate the growth of rural economy. IRD programme is said to be essentially a poverty drive in the sense that previous schemes did not make any appreciable impact on the problems of rural employment and poverty because they were implemented in isolation without adopting the family as a unit with sole aim of making it economically viable. The concept of rural development had therefore to be redefined in view of the country's changing socio-political and economic conditions.

The main aim of the IRD programme is to raise the level of living of the poorest families in rural areas so that they may cross and above the poverty line by extending to them income generating assets and access to credit and other inputs. The target groups include small, marginal farmers and agricultural/non-agricultural labourers, rural craftsmen and artisans, schedule caste/tribes and virtually all families with an average size of five persons having an annual income below Rs. 6400/- previously but presently annual income below Rs. 11000. The thrust of the programme is on raising income generating opportunity for employments through schemes pertaining to agriculture and related cottage and small scale economic activities, suiting the target group of families. As bulk of rural poor is landless suitable, types of activities in the secondary and tertiary sectors have also been included. To benefit these groups of target families, support to those families in the farm of supply raw materials, marketing facilities, training and up-gradation of skill has also been emphasised in the programme.
The sixth plan envisaged that over Five Year of the Plan period, the assistance under the IRD programme would be providing to 15 million families. On an average 3000 families in each block were to be provided assistance during five year period. The target was to cover about 600 families (including at least 30 percent belonging to SC/ST) in each block every year. Of these approximately 400 families were expected to be benefited through agriculture and related activities about 100 families through village and cottage industries and remaining 100 families through the service sector activities. The sixth plan during five years had a financial allocation of Rs. 1500 crores to be shared equally by the centre and state. This amount proposed to be utilized by way of subsidy was to be further supplemented by credit to the extent of 3000 crores provided for the purpose by the cooperative and commercial banks. Thus the total investment under this programme was visualised to the order of 4500 crores. The financial outlay proposed for an IRD programme block was Rs. 5 Lakhs in the first year of the sixth plan (1980-81), Rs. 6 Lakhs in the second year and 8 Lakhs each in the last three years. The total outlay of 35 Lakhs per block was treated as additional fund available for IRD programme. The gradual stopping up of the outlay was due to time involved in initial steps such as preparation of blocks and district plans, identification of beneficiaries building up of the organizational structure etc.

Micro level planning is an important link of this programme. In this context, the term refers to a set of organized development initially taken up at the process of situation analysis,
setting up of objectives, formulating a long term perspective strategy and organising measures for action in that perspective, formulation of a resources inventory and a critical analysis of on-going programme are essential perspectives of planning for the development of the rural areas. Since a constant follow up action is inevitable for any scheme to yield the expected result, a network of monitoring is proposed to be linked with state and central level apex planning bodies.

The implementation of this programme in the field is being done through the district level rural development agencies and block agencies. A three members planning team at the district level comprising an economist/statistician, a credit planning officer and a small cottage industry officer is to be setup as a part of a District Rural Development Agencies (DRDA). Such teams have been set up in almost all districts and they are fully operated.

In the context of above mentioned facts, the present micro level study in District Mirzapur; undertaken during the agricultural year 1990-91 to explore the possibilities of income and employment generation at the farm level for overall economic upliftment of rural poors of the region under study is particular and the whole country in general.

The objectives and the hypotheses of the present study are as under:
OBJECTIVES

1. To study the present socio-economic status of the sample households.
2. To study the impact of Integrated Rural Development Programmes on employment and income of the beneficiaries.
3. To study as to which items have been most beneficial for those to whom the loans are given.
4. To make a comparative analysis of the recovery position of various categories of persons benefitted with loans.
5. To study the constraints in the implementation of Integrated Rural Development Programmes and suggest suitable measures for its normatic working.

HYPOTHESIS

1. I. R. D. Programmes are contributing positively in generating higher incomes.
2. I. R. D. Programmes result to higher employments.