CHAPTER IX

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The agriculture sector and its problems have always dominated the Indian economic scene. The nation's approach to agricultural development is characterized by a commitment to the twin goals, i.e. maximum increase in agricultural production and its equitable distribution. In India, the process of agricultural development was initiated in early fifties with the launching of a comprehensive programme of rural development, namely the Community Development Programme (CDP) followed by Intensive Agriculture District Programme (IADP) and Intensive Agriculture Area Programme (IAAP). Under these programmes a package of improved practices and services were provided to the farmers which ultimately brought green revolution in the country.

In the initial phases of planning, the problems of rural poverty and unemployment were treated as the symptoms of a stagnant under-developed economy. It was conceived that the overall growth of the economy contemplated under the plans would take care of these problems through the 'trickle down' effect. But the "Growth-centred Strategies" and "percolation theory" of rural development proved futile to eliminate poverty, inequality and unemployment and thus failed to accomplish a more crucial aspect of rural development. The
relevance of development under the first four plans, patterned on Harrod-Domar and Feldman-Mahalanobis "Growth Models" to ameliorate poverty, came to be questioned seriously towards early seventies. (Dandekar and Rath 1971, Dantwala 1973)

In spite of the progress achieved in the agricultural sector particularly subsequent to green revolution commencing from mid-sixties, there is an added dimension to the pattern of agricultural development, namely imbalanced growth, imbalance across regions, across crops and across farm-workers categories. It is believed that a large part of the mass poverty increasingly witnessed in rural areas is relatively new and the direct outcome of agricultural development. (Mukherjee, 1982) The beneficiaries of "new agricultural strategy" were large and medium farmers and the disadvantaged sections were the rural poor which include landless agricultural workers, small and marginal farmers of numerous categories such as peasants, tenants, sub-tenants, crop-sharers, village artisans and the like.

A number of studies on the effect of modern technology have concluded that the net result was a rapid increase in income inequalities which have not only persisted over times but are reported to have widened.
The increasing realism of the widening gap between the rich and the poor gave way to a new policy thrust from 1970 onwards. Thus emerged a new strategy designed to improve economic and social life of specific group of people ... the rural poorest. Thus, the strategy of direct assault on poverty is of recent origin, only with the Fifth Plan, poverty alleviation came to be accepted as a principal plan objective.

The present study was taken upto (a) determine trends in wage rates over times so as to ascertain whether agricultural labourer has really benefitted subsequent to green revolution or not and (b) to assess the impact of "Special Programmes" designed for the "target groups" on income and employment of the rural poor.

Prior to 1951, the agriculture in Haryana was tradition-oriented. Inspite of being rich in agricultural resource, the state remained poor because of stagnation in subsistence agricultural economy. For decades proceeding independence and few years succeeding it, agriculture remained mostly neglected and suffered setbacks. The first planned efforts to develop Haryana's agriculture began with the launching of First Five Year Plan and ever since agricultural development has remained a focal point of the Indian/state planning. The green revolution strategy introduced in 1966-67 reached its peak in 1972-73 and laid the foundation of a progressive and
forward looking agricultural industry. In a short span of time, since its inception in 1966, the state emerged as one of the uniquely developed agricultural regions of the Indian Union, presently holding second position in food production. Farming as an occupation made a big leap forward from a mere way of life to that of a well-conceived commercial enterprise.

However, the agricultural development had many short run and long run implications for the economy in general and for the farm sector in particular.

One of the effect is that development process is accompanied by changes in the structure of an economy. When development takes place, the proportion of labour force engaged in agricultural sector tends to decline, while that of non-agricultural sector tends to increase. Correspondingly there is a shift in the composition of total national/state product ... the share of agricultural sector declines while that of non-agricultural sector goes up and of course, the two sets of changes have intimate inter-relationship. (Ballabh Chander, 1987)

To find out the validity of this proposition in case of Haryana, we have conducted a probe into the status and changing importance of agricultural labour in Haryana, by focussing attention on its share in total work force in
Haryana. We have also studied the change in the sectoral composition of the total output in Haryana over the years 1970-71 to 1984-85, (Refer Chapter-III)

Another short run implication of the adoption of modern technology is the increase in income of the large and medium farmers ... who had the capacity to adopt the new innovations. The most significant aspect of the adoption of modern technology is the effect of adoption of the pattern of income distribution. The precise nature and the exact magnitude of this effect is significant as the real farm problem lies in the unequal distribution and disparity between different regions of the state. A number of studies on the effect of adoption of modern technology concluded that it has accentuated the income disparities which have not only persisted but are reported to have widened over times. A number of studies have also concluded that inspite of present increase in agricultural production, the real wages of agricultural labourers have either declined or remained stagnant. This is in conformity with the theoratical proposition that rising growth rate has been no guarantee against poverty, inequality and unemployment in under-developed countries, largely because this growth is not evenly distributed. (Haq, M.A., 1976)

In view of the divergent and conflicting results of empirical studies it becomes pertinent to study the trend in money and real wages in Haryana over a period of one and a
half decade (1970-71 to 1984-85) so as to ascertain whether the agricultural labour has really benefitted in the post-green revolution period or not. (Refer Chapter-VI)

Our empirical investigation based on secondary data have shown that there has been no improvement in the economic position of agricultural labourers.

The realisation of widening gap gave way to a new policy thrust from 1970 onwards. Thus emerged a new strategy designed to improve the income and employment of the specific group of people... the rural poor, and a series of programmes have been introduced from time to time. Special mention in this connection may be made of programmes like Small Farmers Development Agencies (SFDA), Crash Scheme for Rural Employment (CSRE), Integrated Rural Development Programme (IRDP), Minimum Need Programme (MNP), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Development of Women and Children in Rural Area (DWCRA) and Training of Rural Youth for Self Employment (TRYSEM), etc., introduced as demanded by the socio-economic and political situations. Some of these on-going programmes are expected to have created many positive changes. There are very few systematic and empirical studies concerning the impact of these programmes on income and employment of the rural poor. The exact nature and magnitude of change brought about by these programmes is significant to have an impartial and
objective account of their failures and achievements. Besides in a large and diverse country like India, the conditions/problems of the agricultural labourers cannot be and are not uniform throughout all the regions. Therefore, regional studies about their impact could go a long way in arriving at All India picture.

With this objective in view, the present study based on a multi-stage random sampling design was taken up in two districts namely, Karnal and Bhiwani of Haryana, to study the impact of "special target group oriented anti-poverty programmes" on income and employment of rural poor, majority of whom consist of landless agricultural labourers. (Refer Chapters VII and VIII)

The study has been based on the primary as well as the secondary data. The secondary data was collected from the concerned agencies and the primary data was collected through a sample survey of 160 beneficiaries on a pre-tested structured beneficiaries schedule/questionnaire. (See Appendix)

The main findings of the study are:

1. Nearly 82 per cent of the beneficiaries assisted were landless agricultural labourers and 38.13 per cent of them belonged to scheduled castes category and nearly 20 per cent to backward class category. The percentage of landless agricultural labourers and of scheduled
2. Nearly 70 per cent of the beneficiaries were satisfied with the schemes opted by them and found the schemes useful to augment their family income.

3. Nearly 78 per cent of the beneficiaries reported the adequacy of the assistance provided, but nearly 22 per cent felt that it should be raised to the level of the cost of the unit.

4. It was found that the beneficiaries were fully involved in selection of the schemes for providing assistance. The schemes given to them were of their choice.

5. The Gram Sabha and Village Panchayat were not properly involved in the selection of the beneficiaries inspite of the state government's emphasis on this point.

6. Certain instances were cited in which the beneficiaries had to spend some money to bribe various officials to expediting the sanction of loans/subsidy, but such cases were very few and there is a need to avoid the recurrence of such cases.
7. There was increase in income of the majority of sample beneficiaries (68.75%) after assistance was provided to them. It has helped the beneficiaries to build up assets for generating sustained income and additional employment.

8. The result of the study also indicate that the schemes taken under Animal Husbandry Sector, such as dairy, poultry and piggery helped the highest number of families (70%) to increase their income. Similarly schemes taken under Agriculture Sector and Minor Irrigation Sector also made a better contribution towards increasing the income of the beneficiaries. But the Small Scale Industries Sector has shown the lowest performance as it had hardly helped any family to cross the poverty line. It has, therefore, been suggested that more importance should be attached to the development of small scale industries in future.

9. The result of TRYSEM scheme show the only 15.63 per cent of the trainees started their self-employment units in the trade they were trained. Another 18 per cent were employed elsewhere and not in the trade. It is thus, evident that TRYSEM is successful only to a limited extent to provide opportunities of self-employment to the rural poor. It has been
suggested that there should be improvement in the training programmes. Nearly 22 per cent of the trainees could not get the loans sanctioned to start their own self-employment units. This calls for a regular follow up to help them in getting loans from the financial institutions.

10. In present study, it was assessed as to what extent beneficiaries have availed the opportunity to work in the schemes taken up under N.R.E.P. The results of the study indicate that hardly 18 per cent of the sample beneficiaries worked on NREP schemes.

The overall appraisal of the study is that special programmes of poverty eradication have been quite successful in the study areas. It has helped the target groups to augment their income and employment opportunities. It is expected that the findings of this study will be useful in improving these programmes to make them more useful for the rural poor.