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Rural Development Through Poverty Eradication Programmes in India Some Evidences

KEYWORDS

Rural Development – Poverty Eradication – Syndrome.

Dr.P.Senthil	C.Sivasubramanian
Assistant Professor in Economics, Urumu Dhanalakshmi College, Tiruchirappalli, Tamilnadu	M.Phil Part time Research Scholar in Economics, Urumu Dhanalakshmi College, Tiruchirappalli, Tamilnadu

ABSTRACT *Alleviation of rural poverty has been one of the primary objectives of planned development in India. Ever since the inception of planning, the policies and the programmes have been designed and redesigned with this aim. The problem of rural poverty was brought into a sharper focus during the Sixth Plan. The Seventh Plan too emphasised growth with social justice. It was realised that a sustainable strategy of poverty alleviation has to be based on increasing the productive employment opportunities in the process of growth itself. However, to the extent the process of growth bypasses some sections of the population, it is necessary to formulate specific poverty alleviation programmes for generation of a certain minimum level of income for the rural poor.*

Rural development implies both the economic betterment of people as well as greater social transformation. Increased participation of people in the rural development process, decentralisation of planning, better enforcement of land reforms and greater access to credit and inputs go a long way in providing the rural people with better prospects for economic development. Improvements in health, education, drinking water, energy supply, sanitation and housing coupled with attitudinal changes also facilitate their social development.

INTRODUCTION

Rural poverty is inextricably linked with low rural productivity and unemployment, including underemployment. Hence it is imperative to improve productivity and increase employment in rural areas. Moreover, more employment needs to be generated at higher levels of productivity in order to generate higher output. Employment at miserably low levels of productivity and incomes is already a problem of far greater magnitude than unemployment as such. It is estimated that in 1987-88 the rate of unemployment was only 3 per cent and inclusive of the underemployed, it was around 5 per cent. As per the currently used methodology in the Planning Commission, poverty for the same year was estimated to be 30 per cent. This demonstrates that even though a large proportion of the rural population was "working" it was difficult for them to eke out a living even at subsistence levels from it. It is true that there has been a considerable decline in the incidence of rural poverty over time. In terms of absolute. numbers of poor, the decline has been much less. While this can be attributed to the demographic factor, the fact remains that after 40 years of planned development about 200 million are still poor in rural India. In 1987-88, the rural poverty line in terms of per capita monthly expenditure was Rs. 131.80. The average incidence of rural poverty conceals wide inter-state differences which suggests that greater attention needs to be paid to the regions which have a greater concentration of the rural poor. In recent years, several issues have been raised about the methodology of poverty estimation, both by professionals and State Governments. An Expert Group appointed by the Planning Commission is looking into these issues relating to the definition and measurement of poverty.

The decline in rural poverty is attributable both to the growth factor and to the special employment programmes launched by the Government in order to generate more incomes in the rural areas. Hence, in its more limited interpretation, rural development has been confined to a direct attack on poverty through special employment programmes, area development programmes and land reforms. These will be reviewed in this chapter. In addition, the role of the Panchayati Raj Institutions and voluntary organisations in the implementation of these programmes has also to be kept in view. A review of the on-going programmes is presented in the first part of the Chapter. In the second part, the approach and strategy for the Eighth Plan are spelt out.

Review of the Existing Programmes

Integrated Rural Development Programme (IRDP)

Under the IRDP, those living below the defined poverty line in rural areas are identified and given assistance for acquisition of product live assets or appropriate skills for self-employment, which in turn, should generate enough income to enable the beneficiaries to rise above the poverty line.

This scheme was launched in the Sixth Plan. Its assessment at the end of the Sixth Plan period revealed several shortcomings. Keeping this in view and the feed-back received from the State Governments, suitable changes were introduced in the guidelines for the IRDP in the Seventh Plan. The poverty line was based at Rs.6400, but those eligible for assistance under the IRDP had to have an average annual income of Rs.4800 or less. It was assumed that those households with income levels between Rs.4800 and Rs.6400 would be able to rise above the poverty line in the process of growth itself. It was targetted that 20 million families would be assisted under IRDP during the Seventh Plan of which 10 million were new households and 10 million old beneficiaries who had been unable to cross the poverty line and required a second dose.

During the Seventh Plan, me subsidy expenditure on IRDP was Rs.3316 crores which was in excess of the target of Rs.3000 crores. The total investment including the institutional credit amounted to Rs.8688 crores. In quantitative terms, the physical achievement of about 18 million households fell short of the original target of 20 million households but exceeded the cumulative target which was only

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16 million families. The sectoral composition indicates that, of all the schemes selected under IRDP, 44 per cent were in the primary sector, 18.5 per cent in the secondary sector and 37.5 per cent in the tertiary sector. The salient features of the IRDP performance during the Seventh Plan and 1990-91 are given in Appendix I.

Training of Rural Youth for Self Employment (TRYSEM)

TRYSEM was introduced in 1979 to provide technical skills and to upgrade the traditional skills of rural youth belonging to families below the poverty line. Its aim was to enable the rural youth to take up self- employment ventures in different spheres across sectors by giving them assistance under IRDP. Later, in 1987 the scope of the programme was enlarged to include wage employment also for the trained beneficiaries.

During the Seventh Plan about 10 lakh youth were trained under TRYSEM, of which 47 per cent took up self- employment and 12 per cent wage employment. The remaining 41 per cent could not avail of either. On the other hand, a sizeable proportion of IRDP beneficiaries who needed training could not receive it. In fact, only 6 to 7 per cent of IRDP beneficiaries were trained under TRYSEM. During 1990-91 the number of youth trained were 2.6 lakhs, of which 70 per cent got employed.

Development of Women and Children in Rural Areas (DWCRA)

While, in principle, this scheme is a sound one, in operationalising it the impadt has been inadequate. This is perhaps due to 'a lack of cohesion among women groups formed under DWCRA and their inability to identify activities that could generate sustained incomes. In this sphere, the role of voluntary organisations would be crucial in organising women to take up group-based economic activities which are viable within the context of an area development plan. Experiments in some States to form women's thrift and credit societies first, and then start them on economic work have been successful.

Wage Employment Programmes

In 1989, the erstwhile National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP) was merged into a single rural wage-employment programme called the Jawahar Rozgar Yojana. However, given that in the first four years of the Seventh Plan, the NREP and RLEGP were in operation, a brief review of these two programmes is given below.

National Rural Employment Programme (NREP)

The entitlement of each State to the Central fund was based on the incidence of poverty and the population of agricultural labourers, marginal farmers and marginal workers with 50 per cent weightage to each. However, the Centre and State shared the expenditure equally on a 50:50 basis.

Rural Landless Employment Guarantee Programme (RLEGP)

This was a totally Centrally financed programme introduced in 1983. While most of the objectives and stipulations under this were similar to those of NREP, it was to be limited only to the landless, with guaranteed employment of 100 days. Moreover, there was earmarking of funds specifically for certain activities- 25 per cent for social forestry, 10 per cent for works benefitting only the Scheduled Castes/Scheduled Tribes and 20 per cent for housing under Indira Awaas Yojana. In the Seventh Plan, Rs.2412 crores were spent and 115 crore mandays were generated with an average expenditure of Rs.21.00 per manday. Only 16 per cent had been spent on social forestry but 22 per cent had been spent on housing, with over 5 lakh houses created for SC/ST and freed bonded labourers. Rural roads accounted for 22 per cent while other construction, minor irrigation, soil conservation etc. each had a small share.

Development Administration

During the Seventh Plan, the various rural development programmes were planned and implemented by a single agency at the district level called the District Rural Development Agency (DRDA). However, at the block level there was an attempt to return to the earlier community development pattern. But this was not easy, as the BDO had lost effective control over the Extension Officers who were functioning under their own departmental hierarchies. Also, there had been a tremendous increase in the volume of work and in the funds flowing at the block level. As against Rs. 17 lakh per year in the sixties, it became Rs. 1 crore per block per year. This put an enormous burden on the administrative system.

A Committee was set up to review the existing administrative arrangements for rural development, which submitted its report in 1985. It reemphasized the need for decentralised planning at the district level and below. It opined that where Zila Parishads were in existence rural development programmes should be transferred to them. This would ensure participation of local representatives in planning and they in turn would reflect the needs and aspirations of the local people. Of course, they would also be accountable to the people they represent. In States where Zila Parishads are not in existence, the setting up of District Development Councils with Government officers as the Chief Executives was suggested. In either case, it was envisaged that planning and implementation of sectoral activities would be decentralised and integrated into a unified activity, with horizontal coordination at the district level. Similarly, at the block level too, an integrated area plan was imperative, based on availability of local skills and resources. However, no uniform pattern was adopted across States. In 1989-90, the introduction of the Jawahar Rozgar Yojana, wherein it was stipulated that the funds would be placed at the disposal of the village panchayats, marked a shift towards democratic decentralisation, with certain funds and powers vested in the gram panchayats for development.

CONCLUDING REMARKS

To revitalise the Panchayats, a Constitution Amendment Bill (Constitution 72nd Amendment Bill, 1991) was introduced in Parliament in 1991. The Constitution Amendment Bill itself provides for, inter-alia, a 'Gram Sabha' in each village, constitution of panchayats at village and other level or levels, direct elections in all States to Panchayats at the village level and intermediate levels, reservation for scheduled castes and the scheduled tribes in proportion to their population and reservation of not less than one-third of the seats for women, fixing tenure of five years for local authorities, and holding elections within a period of six months in the event of supersession of any such authority. The State legislatures are required to devolve powers and responsibilities on the panchayats for preparation of plans for economic development and social justice and for implementation of development schemes. Grants-in-aid to panchayats from consolidated fund of the State as also conferment of powers for levy of taxes, duties, tolls and fees are provided for. Further, it envisaged the setting up of a Finance Commission within one year of the

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Amendment Bill and, thereafter, every five years to review the financial position of local authorities. While the Bill has been introduced in Parliament, it is yet to be debated and passed. Once enacted, democratic decentralisation will be achieved through the Panchayati Raj Institutions.

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