

## DEVELOPMENT OF THE RURAL POOR: INTENTIONS AND IMPLEMENTATION

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The concern about the rural poor has increasingly been expressed in India with the realization that in spite of an appreciable increase in the index of overall agricultural output in the country, the availability of food to the people has not increased. The Draft Plan (1978-83) accepted the fact that in 1978, 40-60 per cent of the population fell below the minimum acceptable level of living. Around 48 per cent of the rural population lived below the poverty line.

The existence of such poverty in the country is marked by the persistence of gross inequalities in the distribution of assets and incomes. The 28th Round of the National Sample Survey shows that in 1973-74 the lowest 20 per cent accounted for 9.5 per cent of total consumption in the rural areas. The All India Debt and Investment Survey 1971-72 of the Reserve Bank of India pointed out that 20 per cent of rural households, each having less than Rs. 1,000 of assets, account for less than 1 per cent of all rural assets while 4 per cent with asset values of Rs. 50,000 or more own over 30 per cent of the total assets.

Land distribution is the major component of asset distribution in the rural areas and its pattern of distribution has not substantially changed over the years. In 1954-55, 67.6 per cent of land holdings were upto 2 ha. in size and accounted for 15.6 per cent of the total operated area. On the other hand, 16.3 per cent of the land holdings were above 4 ha. and accounted for 65.8 per cent of the operated area. In 1971-72, 68 per cent of the land holdings were upto 2 ha. in size and accounted for 24.1 per cent of the operated area. Land holdings more than 4 ha. in size were 14.3 per cent of the total holdings and accounted for 53.2 per cent of the operated area.

The recent Rural Labour Enquiry found that between 1964-65 and 1974-75 the agricultural labour households had gone up by 35 per cent compared to a rise of 17 per cent in the number of all rural households. Further, among agricultural labour households, the number of those with land went up sharply by 52 per cent and their proportion to total agricultural households rose from 44 per cent to 49 per cent. This means that the increasing cost of living compels small and marginal farmers to supplement their income by working on others' land and thus join the ranks of agricultural labourers.

Another characteristic of the rural scene is the aggravation of the unemployment problem. The Draft Plan (1978-83) has attempted to distinguish between chronic unemployment, weekly unemployment, and under-employment. It finds that in the Indian situation, chronic unemployment is low because, by definition it means that a person is unable to find even a single day's work during the year. It estimates that the number of such persons is two million in rural areas in 1978. Weekly unemployment includes those persons who are unable to find work for even an hour within a week and such persons were 8.15 million in the rural sector. The Plan further argues that "even this estimate of weekly unemployment is unsatisfactory because millions of workers do not get regular work even for a whole week; they get some work on some days and are looking for work on other days even during the same week". Therefore the man days of unemployment need to be calculated and this estimate comes to about 16.5 million man days. The basis of the estimates notwithstanding, unemployment is recognized as the major source of rural poverty.

Another characteristic of the rural development scene is the uneven distribution of benefits over regions in the country. Per capita incomes differ widely among states and among regions. A sort of imbalance among regions and States has emerged in the country. Some imbalance can be traced to ecological problems, or characteristics of the population, etc. There are also areas which have an imbalance of another kind. Here, agricultural productivity and infrastructure may be high but so also unemployment.

Thus, development performance in the rural sector is

marked by the emergence of a large group of population which is called the rural poor. This group is poor because it lacks flow of food and cash; because it gets low nutrition, is physically weak, and therefore vulnerable to disease. It is constantly under debt and accepts various human and in-human ways to pay it off. Finally, this group is poor because, in spite of its number, it has little access to political and social power. It has no organization of its own and does not work or speak as a group. Rural poor are, therefore, a deprived lot not only in physical and material but also in social, political and cultural terms. The notion of rural poverty is a composite of several complex phenomena resulting in low intensity of work and low incomes. "The inequality and exploitation from which the majority of the rural population suffers is demoralizing, engenders resentment and stifles initiative and creativity. The effect is not only to lower current output below its potential but reduce the capacity and willingness of the rural population to innovate." (ILO, 1974: 14)

Rural poverty, therefore, has to be seen as a consequence of several inter-locking dimensions. It implies that apart from material needs there are several other necessities which determine the wellbeing of a person. All such needs have to be taken into consideration in any policy or programme to eradicate rural poverty. For, apart from this concept of absolute poverty, one has to look at poverty as a relative concept too. In this sense it is intimately related to the standard of living of a person's neighbours. Thus a poor family in Punjab may not be so poor as in Orissa. If this is accepted then rural poverty cannot be associated with lack of the minimum necessities of life only. The culture or custom of the people may define differently what is essential for the proper standard of living.

#### WHO ARE THE RURAL POOR?

The identification of the rural poor has been based on several kinds of estimates. One of the common basis has been to construct a poverty line by identifying those who cannot afford a diet adequate in terms of the calories needed. This

leads to the estimate of a minimum per capita consumption expenditure where the poverty line is drawn. It is these estimates that differ over regions and over time and hence no single definition seems to be agreed upon. It is also due to this difference that estimates of the number of the rural poor have a wide range.

Considering this difference in concept and estimation of consumer expenditure, the 'poor' have usually been defined in terms of income based on land cultivated per household. In India, a cut off of 5 acres or 2 hectares of operated area is accepted to define the rural poor. Obviously a correct cut off point would take account of the quality of the land, the cropping patterns, irrigation, tenurial conditions and other characteristics. However, using this definition, the rural poor consist predominantly of : (a) small and marginal farmers, owners, or tenants with operational holdings of less than 2 ha., and (b) the landless. Essentially, the first group consists of those people whose small parcels of land are unable to provide adequate or steady incomes and have to search for alternative means for fulfilling their needs. The second group consists of agricultural labourers and artisans thrown out of their traditional employment. According to a World Bank estimate, there are such 327 million rural poor. The Draft Plan (1978-83) puts the estimate at 290 million in 1978.

What needs to be pointed out here is that this estimate carries wide ranging qualitative differences among the rural poor. There are those who know today that they will also be able to eat tomorrow. There are others who lack even this assurance.

#### PROGRAMMES TO DEVELOP THE RURAL POOR

Emphasis on direct programmes to develop the rural poor has emerged in India comparatively recently even though the planning process had been initiated in 1951. Till a few years ago the national development strategy was primarily concerned with increasing the GNP at a suitable rate by maintaining appropriate levels of investment in the economy. It was assumed that the rise in GNP will automatically benefit the rural poor. In the early sixties this postulate was slightly

modified when attention was focused on agricultural growth *per se* and it was argued that only if the rate of agricultural growth could be accelerated, rural poverty will begin to disappear. The new agricultural technology received emphasis within this formulation and the policy planners hoped that both the problems of production and poverty can be solved within this framework.

As we have already noted in an earlier section, development took quite a contrary direction. Therefore, the concept of direct intervention to help the weaker sections of the rural society began to take shape. Essentially, direct programmes have been conceived as ameliorative measures to contain poverty flowing out of the development strategy. This was particularly true of the spurt of measures that came after the green revolution was officially declared around 1969-70. One of the first efforts of this kind was the initiation of the small farmers development agency and marginal farmers and agricultural labourers agency which were subsequently merged into a single agency. This programme to help the small and marginal farmers and agricultural labourers was introduced during the Fourth Plan period in 1970-71. The main tasks were to identify the constraints facing the small farmers, provide for small irrigation schemes, introduce new seeds, other inputs, livestock farming and encourage a flow of credit at a subsidised rate. The marginal farmers and agricultural labourers were supposed to be helped through rural works programmes, provision of homestead land and assistance for house construction, etc. They were also to be encouraged to take up dairy farming, small livestock rearing, fisheries, etc. A recent evaluation (PEO, 1979) has found that only about 2.3 million families have been affected by these schemes.

The major philosophy behind these schemes is that the small farmer is unable to compete in the market for supply of inputs, particularly credit, and therefore special efforts need to be made to remove these constraints by actively intervening on his behalf. The scheme directs its attention on the small and marginal farmers and attempts to make them viable economically. It has been argued that "small farm households can be relieved of poverty if productive assets and their new activities are linked with support sys-

tems'. (Raj Krishna, 1979: 915) Thus, wherever irrigation and dairy assistance is given, with access to technical help and marketing, increases in income of beneficiary households have been achieved. However, the establishment of this linkage is crucial to the success of the programme. But more importantly, the coverage of the programme is too meagre to make any significant dent on rural poverty. Upto September 1977, only a quarter of households had been indentified and the number of beneficiaries was even much less.

Other programmes carrying a similar philosophy of providing easy credit and productive assets to make individuals economically viable were also initiated by focusing attention on specific under-developed areas. Such programmes are the drought prone area programme, command area development, tribal area development, integrated tribal development, hill area development, etc. Three hundred and thirty districts in the country are covered by one programme or the other.

Another type of programme designed to attack rural poverty directly was concerned with employment generation. Two, though not entirely dissimilar, objectives can be identified in formulating these programmes. One type of programmes was conceived to provide employment to as many people as possible immediately. The effort was to make jobs available to all those who were unemployed or under-employed and who express their desire and availability for work. It was intended to make systematic plans for the development of rural works which could create productive assets in the rural areas. Systematic plans would avoid the inefficiency and wastefulness of hurriedly conceived rural works programmes implemented as part of relief measures during drought, etc.

The other objective of employment programmes was to increase the job potential in the economy as a whole by re-orienting the entire policy frame and examining each sub-policy package with this perspective in view. This concerns wider policy issues that we will touch upon later.

Two types of programmes can be mentioned within the broad rubric of employment generation. Using the variant of the rural works programme that has been advocated both in the Third and Fourth Plans, Maharashtra government promulgated an employment guarantee scheme (EGS) in 1974.

It is intended that "only productive works which create durable community assets should be taken up under the scheme". In a review of the EGS in eight talukas of Maharashtra, (See Pitale, 1980:5) it was found that the major expenditure incurred for creating durable assets was on percolation tanks, medium irrigation tanks and contour bunding. EGS paid a fixed rate of Rs. 4 per day and provided for the creation of assets on a continuing basis. This wage rate was considerably lower than what was available in agricultural employment but was fixed so as not to divert labour from more productive employment. Another characteristic was that the durable assets created were of the kind that were utilized by individuals who were not necessarily the creators of these facilities. Thus, others got advantage of the cheap labour provided to create durable assets.

A similar programme was also introduced by the Government of India in 1977. It is known as the food for work programme (FWP). With comfortable food stocks of 15.4 million tons in 1977, the FWP was taken up to "directly benefit the persons in the rural areas who live below the poverty line by providing them opportunities of employment and raising their incomes and nutritional levels". The Government has reported that 43.8 million man-days of employment were generated in 1977-78 and about 286.4 man-days were generated in 1978-79 under the FWP.

A related approach for directly alleviating rural poverty has been through a minimum needs programme. This was proposed in the Fifth Plan and a list of basic needs, *e.g.*, supply of safe drinking water, sites for houseless, village access roads, etc. were identified for the village. But many of the minimum needs identified are not a direct help to the rural poor. Village access roads may be of more direct advantage to the existing asset-holders in the village. Similarly, unless safe drinking water facility is created in localities within the village, where the poor live, it is of no benefit to them.

In concluding this section, we need to emphasise that essentially two types of programmes to develop the rural poor have been designed. One type of programmes has sought to intervene directly on behalf of the rural poor in facilitating their access to acquire productive assets through subsidized

inputs and cheap credit so that they become economically viable. These programmes have also attempted to support individual economic activities through marketing, transport facilities, etc. The second type has attempted to provide employment opportunities to all those who are unemployed or under-employed and who are willing and available for work. The intention is that a minimum level of consumption expenditure is available to all. In summary, the direct programmes have attempted to take care of improving their consumption levels. It is doubtful if this can be undertaken to mean development of the rural poor or will lead to that direction.

## DISCUSSION

### *The Implementation Perspective*

The programmes for the development of the rural poor are sought to be implemented in a framework of centralized planning and administrative system. Most of the schemes enumerated above are sponsored by the centre. Provision of funds leads to the determination of how they should be spent and what is the criterion of effectiveness. Such a concern of the central agencies providing funds at least reduces local level initiative if it does not eliminate it completely. Consequently, schemes do not necessarily reflect the needs of the areas and the people concerned. Inflexible procedures make administrators care more about the financial targets than about the achievement of programme goals.

Therefore, the first task is to bring project formulation and execution as close to the beneficiaries as possible. As a matter of fact, it is they who should become responsible to translate their aspirations into actions for their own good. Unless this is done, programmes to help the rural poor will be more of charity and not lead to participation. Demands on the government will grow and the significance of their own group action and self help will be blurred. In addition, effective participation at micro-level can build up pressures to reorient policies at the macro-level in their favour.

This requires several types of changes in the processes of implementation.



1. The tasks of planning need to be reconceptualized for various levels from the district downwards. The Dantwala Working Group Report (1978:2) has argued that below the state or divisional level, the issue whether a district or a block is more appropriate for the purpose of planning need not be viewed with rigidity. This Group has advocated that the district and block should be assumed to be part of the same exercise but as a link in hierarchy of levels from a cluster of villages below the block level to the district, regional and State level. This proposition leads towards the important conclusion that the determination of the scope of functions of local planning will depend on the level of decision-making one is referring to. Thus, while planning is desirable at each level, its scope will differ. What is being advocated, therefore, is not concentrating the planning function at a single level below the State but spreading it to each level of decision-making from the village up.

As an illustration, the Manual on Integrated Rural Development (GOI, Ministry of Rural Reconstruction, 1980) justifies the need for a block level plan because it serves as a guide for appropriate locational decisions. However, in the face of lack of systematic data, decisions on locations have tended to be based on local knowledge and experience or influence.

Therefore, what is required at the local level are the following:

- (a) professional expertise in order to formulate projects so that schemes are executed effectively;
- (b) an adequate data base that can feed information for planning purposes to both the district as well as levels higher up; and
- (c) a systematic monitoring and evaluation system that can enable the district authorities take corrective action in time, a concurrent evaluation system that can assess whether the location, identification of beneficiary groups and operational processes of

project implementation are fulfilling the goals of programmes or not.

2. However, such planning functions cannot be performed effectively unless the rural poor are able to participate in the decision-making processes and in the designing of the programmes being suggested for their benefit. This can be done only if the organizations of the rural poor can emerge as countervailing forces at the local level. Then, only data generated by the planning and implementation agencies can be utilized to promote the cause of the rural poor. Little effort has been undertaken in this direction. Local agencies like SFDA or DPAP do have non-official members but it is not assured that they come from the rural poor category. Therefore, more direct efforts have to be made in involving the rural poor in programme formulation and implementation.

3. Another effort to involve the poor can be made by making the assets created by the rural poor through various schemes their own property. This can lead to a greater sense of participation in development and provide for a sense of belonging in the village society.

#### *The Policy Perspective*

What needs to be emphasized here is that even if implementation of the direct anti-poverty programmes takes place effectively, it is doubtful if rural poverty can be alleviated. Not only is there a small coverage of the rural poor who appear to be at least half the population in the rural areas but the programmes are also conceived as if there is a given stock of the rural poor. They are unable to take care of the process of generation of poverty in the rural society and thus the constant inflow into this stock. In taking care of such processes, much wider policy issues are involved.

For one thing, this means the redefinition of development itself. It has to be defined in terms of meeting the minimum needs of society. The objective of development has to be defined as raising the level of living of the rural and urban poor. This implies meeting such needs as continuous employment, schooling, and health facilities, safe drinking

water, etc. A reorientation of developmental goals has to take place if the rural poor have to be helped effectively.

Secondly, structure of the economy which reinforces the pattern of inequality in the country has to be altered drastically. A situation of increasing contradiction between the expanding wants of a privileged minority and the unmet basic needs of a great majority of population cannot be conducive to support anti-poverty programmes. Thus, imbalances in the structure of the economy have to be corrected because it is they that generate rural poverty.

Finally, participation in the democratic system governing the country has to be given greater meaning. This may require changes in the political system itself but may be necessary if a sense of alienation has to be eliminated.

As we have already pointed out, poverty is a multidimensional notion; the sense of deprivation is not merely confined to food, shelter and clothing. Ultimately it is concerned with the dignity of man and the whole processes and strategies of development have to undergo a change to provide this sense of dignity to the rural poor.

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