

PREFACE

In a bid to standardize higher education in the country, the University Grants Commission (UGC) has introduced Choice Based Credit System (CBCS) based on five types of courses viz. *core, discipline specific, generic elective, ability and skill enhancement* for graduate students of all programmes at Honours level. This brings in the semester pattern, which finds efficacy in sync with credit system, credit transfer, comprehensive continuous assessments and a graded pattern of evaluation. The objective is to offer learners ample flexibility to choose from a wide gamut of courses, as also to provide them lateral mobility between various educational institutions in the country where they can carry their acquired credits. I am happy to note that the university has been recently accredited by National Assessment and Accreditation Council of India (NAAC) with grade "A".

UGC (Open and Distance Learning Programmes and Online Programmes) Regulations, 2020 have mandated compliance with CBCS for U.G. programmes for all the HEIs in this mode. Welcoming this paradigm shift in higher education, Netaji Subhas Open University (NSOU) has resolved to adopt CBCS from the academic session 2021-22 at the Under Graduate Degree Programme level. The present syllabus, framed in the spirit of syllabi recommended by UGC, lays due stress on all aspects envisaged in the curricular framework of the apex body on higher education. It will be imparted to learners over the six semesters of the Programme.

Self Learning Materials (SLMs) are the mainstay of Student Support Services (SSS) of an Open University. From a logistic point of view, NSOU has embarked upon CBCS presently with SLMs in English / Bengali. Eventually, the English version SLMs will be translated into Bengali too, for the benefit of learners. As always, all of our teaching faculties contributed in this process. In addition to this we have also requisitioned the services of best academics in each domain in preparation of the new SLMs. I am sure they will be of commendable academic support. We look forward to proactive feedback from all stakeholders who will participate in the teaching-learning based on these study materials. It has been a very challenging task well executed, and I congratulate all concerned in the preparation of these SLMs.

I wish the venture a grand success.

Professor (Dr.) Subha Sankar Sarkar
Vice-Chancellor

**Under Graduate Degree Programme
Choice Based Credit System (CBCS)
Subject: Honours in Geography (HGR)
Course : Rural Development
Course Code : GE-GR-11**

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**Rural Development
[GE-GR-11]**

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MODULE –1

: Learning Objectives :

The Learners will come to know the following topics in this Module :

- i) Definition and concept of development
- ii) The inter dependency of urban and rural sectors of the economy.
- iii) The concept of rural development.
- iv) The paradigm of rural development, including different theories and models.
- v) The need of rural development and related rural development approaches.
- vi) The agriculture and allied sector as a base of economy and pillar of rural development.
- vii) The role of rural cooperatives and agricultural marketing in rural development.
- viii) The approaches of rural development in different areas like, drought prone area.
- ix) Rural development programmes.

Unit 1 □ Defining Development

Structure

1.1 Introduction

1.2 Interdependences of Urban and Rural Sectors of the Economy

1.3 Questions

1.4 Suggested Reading

1.1 □ Introduction

Development is a process that creates growth, progress, positive change or the addition of physical, economic, environmental, social and demographic components. The purpose of development is a rise in the level and quality of life of the population, and the creation or expansion of local regional income and employment opportunities, without damaging the resources of the environment. Development is visible and useful, not necessarily immediately, and includes an aspect of quality change and the creation of conditions for a continuation of that change.

The international agenda began to focus on development beginning in the second half of the twentieth century. An understanding of development was that the economic growth did not necessarily lead to a rise in the level and quality of life for population all over the world; there was a need to place an emphasis on specific policies that would channel resources and enable social and economic mobility for various layers of the population. Through the years, professionals and various researchers developed a number of definitions and emphasised for the term “development.” Amartya Sen, for example, developed the “capability approach,” which defined development as a tool enabling people to reach the highest level of their ability, through granting freedom of action, i.e., freedom of economic, social and family actions, etc. This approach became a basis for the measurement of development by the HDI (Human Development Index), which was developed by the UN Development Program (UNDP) in 1990. *Martha Nussbaum* developed the abilities approach in the field of gender and emphasized the empowerment of women as a development tool.

In contrast, professionals like *Jeffrey Sachs* and *Paul Collier* focused on mechanisms that prevent or oppress development in various countries, and cause them to linger in

poverty for dozens of years. These are the various poverty traps, including civil wars, natural resources and poverty itself. The identification of these traps enables relating to political – economic – social conditions in a country in an attempt to advance development. One of the emphases in the work of *Jeffrey Sacks* is the promotion of sustainable development, which believes in growth and development in order to raise the standard of living for citizens of the world today, through relating to the needs of environmental resources and the coming generations of the citizens of the world.

According to the World Bank, as many as half of the world's six billion inhabitants live on the equivalent of less than \$2 per day, and about one-fourth of the world lives on the equivalent of less than \$1.25 per day (Chen & Ravallion, 2008). Meanwhile, people in the 20 richest countries earn, on average, 39 times more than people living in the poorest 20 states (Milanovic, 2007). This indeed justifies the need for development.

At the same time, the extent of world poverty has declined significantly during recent years. For example, the World Bank estimates that during 1981-2005 the percentage of people living on less than \$1 per day was halved, decreasing from 52 percent to 26 percent during this period (Chen & Ravallion, 2008).

These contrasting trends highlight both the problems and the progress associated with the process of “development.” On one hand, development has resulted in serious inequities between states, whereby large number of the world's inhabitants are mired in poverty, especially in Africa, while inhabitants of the world's richest countries live in both relative and absolute luxury. Due to development trends, populations in poor countries are becoming wealthier over time; a process linked to globalization because countries in the developing world can raise their standards of living by integrating with highly developed states. The term “development” in international parlance therefore encompasses the need and the means by which to provide better lives for people in poor countries. It includes not only economic growth, although that is crucial, but also human development providing for health, nutrition, education, and a clean environment.

1.2 □ Interdependences of Urban and Rural Sectors of the Economy

Gandhi had a very clear perception of Indian villages. He started analysing the causes of poverty owing to the British Rule. In his words, “India lives in her seven and a half lakhs of villages”. He believed India would have to live in villages, not in towns; in huts not in

palaces. He observed, “If village perishes, India will perish too.” He was of the view that the country’s progress lies in development of its villages and growth of rural economy, industry and rural skills. As India belong to one of the developing countries, it is apparent that there is a divide between urban and rural areas. Rural areas are located far away from services and job opportunities. Rural areas depend on urban areas for secondary schools, post and telephone, credit, agricultural expansion services, farm equipment, hospitals and government services. People in rural areas travel long distances to access services and job opportunities and this on itself have financial implications. As incomes from agriculture decrease, rural households are forced to develop new and more complex livelihood strategies that include both agricultural and non-agricultural income, including remittances from seasonal and permanent migrants (Simkins, 1983). These migrants head towards urban areas for better living, job opportunities and social wellbeing and the process advocates for the rural urban interdependences that remains inevitable even in present day context. Villages get integrated into urban areas also. There are several reasons why villages have been changing. Of the 121 crore Indians, 83.3 crore live in rural areas while 37.7 crore stay in urban areas, as per the 2011 Census. The absolute increase in population is more in urban areas than in rural areas. The level of urbanisation increased from 27.81 per cent in the 2001 Census to 31.16 per cent in the 2011 Census, while the rural population declined from 72.19 per cent to 68.84 per cent. One noticeable issue in recent times is the rate at which people migrate from rural to urban areas. This has led to negative consequences like overpopulation in urban areas that has encouraged crimes and growth of slums. There exists an economic, social and environmental interdependence between urban and rural areas. Rural-urban linkage generally refers to the growing flow of public and private capital, people (migration and commuting) and goods (trade) between the urban and rural areas. Adequate infrastructure such as transportation, communication, energy and basic services is the backbone of the rural-urban development linkage approach.

Urban food and nutrition security depends on strong links between urban and rural areas. But policymakers and urban planners often ignore this interdependence. There are two broad, often overlapping, categories of rural-urban linkages. “Spatial” links refer to the movement of people, goods, money, and information between urban and rural areas. “Sectoral” links describe the interdependence between agriculture on the one hand and industry and services on the other. In the next two decades, three main issues related to rural-urban interdependence are likely to emerge: (1) Changes in land use around urban centers, from farmland to residential or industrial use; (2) Greater diversification of income sources in rural and urban areas, often involving people migrating or commuting between

the countryside and urban centers; and (3) Changes in the direction and composition of internal migration.

A majority of the Indian villages still face constraints such as access to education, health care, drinking water, power, roads, etc. Against this background, adoption of especially villages in backward regions through preparation of Village Development Plans (VDPs) would go a long way in ensuring holistic and integrated development of the villages concerned. The objective of VDPs is to develop the selected village in an integrated manner. This would include economic development and other aspects of human development.

It is now widely recognized that there exists an economic, social and environmental interdependence between urban and rural areas and a need for balanced and mutually supportive approach to development of the two areas. The discrete consideration of rural development as completely distinct from urban development is no longer valid. Since 1991, significantly greater access to information technology, better roads, improved education and changing economic realities has increased the movement of people, goods and services, waste and pollution and blurring the boundaries between urban and rural areas. The government has laid down policies that draw on urban-rural interdependencies. Such interdependence however still have a relatively limited impact on development practices. There lies a gap between development policy and tangible policy outcomes. Rural-urban developmental policies haven't produced as expected instead, regional economies, the goods and services required by the new economic activities stimulated by these policies come from private businesses. Many policies that attempt to draw on urban-rural linkages are often unsuccessful because they fail to reflect the true circumstances of the people in those areas of problem (Lohnert, & Steinbrink, 2005).

Gandhiji's vision to make Indian villages prosperous is possible through rural-urban interdependence. Gandhiji had an elaborate plan for labour-intensive production which would generate more employment opportunities and suit to the rural community. Regional development planning creates a better urban-rural balance and reduces migration pressure on urban areas. It is important for planners and policymakers to develop strategies based on the realities of people's lives in both urban and rural areas. This would reflect Gandhiji's vision of an ideal region that would be eco-friendly and sustainable for future generation. The decentralised economic units would thus facilitate the best possible use of local raw materials, talents and manpower; promote occupational equilibrium, ecological balance and cooperative living between urban and rural entities. In the field of agriculture, Gandhiji recommended cooperative farming which would save labour, capital, tools and provide employment to all

adult villagers. Gandhian economics approach places importance to means of achieving the aim of development and this means must be nonviolent, ethical and truthful in all economic spheres. So, he advocated trusteeship, decentralisation of economic activities, labour-intensive technology and priority to weaker sections.

The 73rd and 74th amendments to the Constitution initiated the processes for introducing institutional arrangements for integrated development of settlements, areas and regions. So, these amendments provide for two types of committees, District Planning Committee and Metropolitan Planning Committee. These committees would ensure that the plans prepared by local bodies at the village and town levels are integrated and accommodated within the framework of 20 to 25-year perspective plans and 5-year economic development plans prepared at the national and State levels. The Institute of Town Planners, India in the year 1995 conducted a study to detail urban development plans formulation and implementation (UDPFI) guidelines. The purpose was to arrive at a methodology of plan preparation that would not only help prepare better master plans but also help achieve integrated development of rural and urban areas. Urban and Regional Planners being spatially trained to look into the multi-sector dimensions of development in an area would be preparing a spatial plan and would be achieving the objective of rural-urban integration. Rural communities are responsible for the stewardship of ecosystem services essential to human survival, such as clean air and water, flood and drought mitigation, pollution mitigation, biodiversity, and climate stabilisation. Metropolitan congestion is given some relief by smaller towns and cities that offer affordability, space and safety. Metropolitan areas provide the concentrated markets for rural goods and services. They are also the location of a wide variety of specialised services like healthcare, cultural activities and legal and financial services.

Rural-urban interdependence relates to the joint or interactive relationship between urban and rural areas. The mutually beneficial correlativeness of urban and rural areas. Traditionally, rural and urban issues and planning have been typically seen as and dealt with separately. However, in recent years as urbanization and inequality increase, more sophisticated analyses of the linkages and interdependencies between rural and urban areas have emerged. The flows of people, goods, services, information and money typically provide strong and dynamic linkages between rural and urban areas. In many places these interdependencies have deepened since the market liberalization of the 1980s due to increased price risk, rising input prices relative to output prices, detrimental HIV/AIDS effects on labor and other asset availability, environmental deterioration and continuing farm sub-division at inheritance (Low, et al., 1999). Rural-urban interdependence is indeed

important for poverty alleviation and sustainable rural development and urbanization. Strong linkages can improve the living conditions and employment opportunities of both rural and urban population. Domestic trade and the adequacy and efficiency of infrastructure are the backbone of mutually beneficial rural-urban relationships and of the success of the relationship between urban and rural areas (Bekker, 2000).

Issues such as changes in land use around urban centers, from farmland to residential or industrial use; greater diversification of income sources in rural and urban areas, often involving people migrating or commuting between the countryside and urban centers; and changes in the direction and composition of internal migration are likely to emerge in the near future. The relationships or inter-linkages between urban and rural areas are not all positive or beneficial to both ends of the spectrum. Cities and their metropolitan extensions absorb productive agricultural land, exploit water resources, pollute the rural environment and act as sinks for urban waste. On the other hand, cities rarely expand and build up efficiently. There often remains extensive rural areas within cities and their metropolitan boundaries, giving rise to the phenomenon of urban villages with urban farming occupation and prevalence (Tacoli, 1998).

Strategies and interventions by government to foster urban-rural interdependence are in the form of policies and they include the following:

a) A rural-urban linkage development approach

The government has engaged a number of strategies for upgrading urban-rural interdependence in the country. Provision of adequate infrastructure such as transportation, communication, energy and basic services is the backbone of the government's urban-rural development linkage approach. There is a positive relationship between adequacy of transportation infrastructure, ease of mobility and access to employment and enhancement of income. Adequate investments in infrastructure, particularly transportation infrastructure, also improve rural productivity and allow access to markets, jobs and public service by both men and women (Gete, et al. 2007). The high densities have obvious consequences in terms of the choice of transportation modes, living conditions, congestion and pollution.

b) Local Economic Development Approach

Local economic development offers local government, the private and not-for-profit sectors, and local communities the opportunity to work together to improve the local economy. LED has encompassed a range of disciplines including physical planning, economics

and marketing. It has also incorporated many local government and private sector functions, including environmental planning, business development, infrastructure provision, real estate development and finance. All these disciplines must work together to improve the local economy. The discrete consideration of rural development as completely distinct from urban development is no longer valid. Considering the positive impacts of this, it becomes clear that urban-rural interdependence will be greatly boosted as local produce will need improved transport infrastructure to be in place in order to access urban markets. This linkage will allow comprehending these areas as interdependent phenomena rather than as random disparities (Gete, et al. 2007).

c) The National Infrastructure Approach

Investments in rural sectors would improve access to a number of facilities, including healthcare facilities, schools, roads etc. This improves the interdependencies between urban and country areas by construction of ports, roads, railways, hospitals, schools and dams also contributes to faster economic growth.

d) Integrated Approach

The Integrated urban space and public transportation programme aims at coordinating planning and implementation of public transportation, human settlement, economic and social infrastructure and location decisions into sustainable urban settlements connected by densified transport corridors. Such government projects enhance greatly the interdependence of urban and rural areas.

Other potential solutions to initiate Urban-Rural interdependence :

i) Spatial Reconstruction and Integration

Spatial Reconstruction and integration is a local development priority aiming at eradicating the irregularities of spatial system that was created by past spatial policies where areas of severe poverty, limited economic opportunities, inferior forms of land tenure and limited social and engineering infrastructure, were far removed from employment opportunities and economic growth areas. Spatial integration must focus on improved rail and road linkage (transportation corridors and connectors) between concentrations of greatest need for development and areas of greatest economic potential (economic nodes), the provision of housing in localities within reasonable walking distance to public transport, this is to enhance accessibility to employment opportunities, social facilities and greater variety of goods and services. This may enhance urban-rural interdependence through enhanced regional accessibility (Okpala, 2003)

ii) Strategic Development Concept

In order to overcome the spatial distortions of apartheid, future settlements, economic development opportunities and infrastructure investments should be channeled to activity corridors and nodes that link with major growth centers or that have a potential to become major growth centers. The strategic development concept is based on nodes, corridors and precincts, which aim is to reconstruct and integrate the urban and rural landscape on regional scale into a more rational, cost effective and manageable structure (Diyamett, 2001) besides being sustainable.

iii) Rural Transportation Strategy

Improved regional access via road, rail and air transportation is important to unlock the tourism potential, to ensure functional urban and rural integration and to enhance inter- and intra-municipal accessibility. Transportation strategies need to address issues such as the provision of integrated modal interchanges supported by infrastructure, shelters, amenities, footpaths and security facilities in all activity nodes, the provision of affordable basic access to transportation, reducing long walking and travelling distances, an Integrated Transport Plan to identify important linkages that need constant maintenance and upgrade (NIP, 2012).

iv) Capacity building and Efficiency of Policy

Presented with a fast growing and dynamic economy, the government should ensure that all citizens benefit from economic growth. Implementing successful rural development and land reform in the country is however challenging and controversial.

1.3 □ Questions

1. Define Development. Discuss the interdependence of Urban and Rural Sectors of Economy.

1.4 □ Suggested Readings

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Unit 2 □ **Paradigms of Rural Development**

Structure

2.1 Paradigms of Development

2.2 The Lewis Model of Economic Development

2.3 Big Push Theory

2.4 Gunnar Myrdal's Theory of Spread and Backwash Effects

2.5 Questions

2.6 Suggested Reading

2.1 □ **Paradigms of Development**

In an ever-changing context, where emerging issues raise questions for the development community on the way development processes have been and are being designed and supported, it is important to critically assess prevailing visions about development and adapt them, or even adopt alternative, more suitable approaches. As a contribution to this assessment, this paper attempts to sketch prevailing development paradigms, i.e. defined visions and related activities regarding the functioning and evolution of socio-economic systems. In general terms, “development” means an “event constituting a new stage in a changing situation” or the process of change per se. If not qualified, “development” is implicitly intended as something positive or desirable. When referring to a society or to a socioeconomic system, “development” usually means improvement, either in the general situation of the system, or in some of its constituent elements. Development may occur due to some deliberate action carried out by single agents or by some authority pre-ordered to achieve improvement, to favourable circumstances in both. Development policies and private investment, in all their forms, are examples of such actions. Given this broad definition, “development” is a multi-dimensional concept in its nature, because any improvement of complex systems, as indeed actual socio-economic systems are, can occur in different parts or ways, at different speeds and driven by different forces. Additionally, the development of one part of the system may be detrimental to the development of other parts, giving rise to conflicting objectives (trade-offs) and conflicts. Consequently,

measuring development, i.e. determining whether and to what extent a system is developing, is an intrinsically multidimensional exercise.

What should be developed?

Even if the development of a socio-economic system can be viewed as a holistic exercise, i.e. as an all-encompassing endeavour; for practical purposes, in particular for policy making and development management, the focus of the agents aiming at development is almost always on selected parts of the system or on specific features. Development is manifold like;

1. Economic development

This has traditionally been seen as the first form of development. It has often been strictly associated with the concept of economic growth, in turn defined as an increase in the per capita income of the economic system. Indeed, growth defined in this way can be seen more as the result of an economic development process, i.e. the transformation of the structure of an economic system, rather than as a development process per se. Countless economists provided insights and proposed models to explain how economic systems develop (or should develop) to generate growth. Just to mention some milestones, it is worth mentioning the contributions of Shumpeter (1911), who suggested that economic systems evolve through subsequent disequilibria due to agents which introduce innovations, more than “developing” according to a pre-determined path. Ramsey (1928) set a model to maximise the consumption of future generations with endogenous savings, disutility of work and individuals with an infinite time horizon. Allais (1947) (and, later, P. Samuelson) set the first “overlapping generations model”, where individuals have a finite time horizon but overlap with other individuals living longer. Solow (1956).

2. Human development

The above-mentioned emphasis on the links between human capital and growth constituted a step towards a multi-dimensional concept of development, where knowledge is not only fundamental to economic growth but an end per se, as it generates empowerment, self-reliance and a general improvement in community and social relationships. Nowadays the concept of development encompasses a set of elements comprised in more than one of the above-mentioned qualifications, UNDP (2010).

3. Sustainable development

The concept of “sustainable development” was first introduced by Brundtland (1987), who defines development as “sustainable” if it “meets the needs of the present without compromising the ability of future generations to meet their own needs”. Sustainable development implies minimising the use of exhaustible resources, or at least, ensuring that revenues obtained from them are used to create a constant flow of income across generations, and making an appropriate use of renewable resources. This applies to energy (oil and oil products in particular) but also to fish stock, wildlife, forests, water, land and air. Land degradation, due to soil erosion and salinisation, persistent water and air pollution, depletion of fish stock and deforestation are all examples of consequences of non-sustainable activities. Soil conservation practices; Good Agricultural Practices (GAP) based on reduced use of energy, pesticides and chemicals; waste management and recycling, waste water treatment, use of renewable energy sources such as biomasses and solar panels, are frequently cited as techniques for sustainable development. The concept of sustainability has also been extended beyond environmental concerns, to include social sustainability, i.e. long term acceptance and ownership of development changes by the citizens, their organisations and associations (civil society), and financial and economic sustainability.

4. Territorial development

This dimension of development refers to a territorial system, intended as a set of interrelationships between rural and urban areas, in a space characterised by the existence of poles of attraction for human activities (production and consumption of goods and services, but also culture and social life), and connected by information systems and transport infrastructures. When referring to production activities, poles of attraction can be characterised as “Clusters” where, for various reasons, homogeneous or closely interlinked activities are implemented. Territorial systems are open to influences from the national and supra-national contexts and from the interrelationships between territories. Territorial development implies focusing on the assets of the territory, its potential and constraints (FAO, 2005). Policies to exploit and enhance this potential play an important role in the development process.

Development was very rarely considered to be a “god-given” condition of socioeconomic systems, implying that policy makers at national and international level have always thought that some activities (or even refraining from carrying out any activity) were required to promote positive changes. However, countries as well as the international development community in different periods, have privileged specific ways of achieving development, adhering to a specific “Development paradigm” i.e. to a defined modality or path to follow

to achieve development, based on a codified set of activities and/or based on a vision regarding the functioning and evolution of a socioeconomic system.

Nevertheless, it is particularly important, in the light of emerging global development issues to assess past processes and design-redesign ongoing/future ones to find new perspectives for development processes and related policies. The issues include: the overuse of exhaustible energy sources; carbon emissions and climate change; recurrent food crises; the general social and political instability of entire regions; widespread inequalities, persistent poverty and food insecurity. In this light, and particularly in view of the unsustainable levels of development of the so called “developed” countries, it is imperative to fully revisit the way development has been conceived so far and completely reassess the usefulness of the dichotomy “developed” versus “developing” countries. The identification of prevailing development paradigms is a first step in this reassessment process.

2.2 □ The Lewis Model of Economic Development

The dual-sector model is a well-known model in developmental economics. It is commonly known as the Lewis model after its inventor *W. Arthur Lewis*. It explains the growth of a developing economy in terms of a labour transition between two sectors, the capitalist sector and the subsistence sector. Initially the dual-sector model as given by W. Arthur Lewis was enumerated in his article entitled “*Economic Development with Unlimited Supplies of Labor*” written in 1954, the model itself was named in Lewis’s honor. First published in *The Manchester School* in May 1954, the article and the subsequent model were instrumental in laying the foundation for the field of developmental economics. The article itself has been characterized by some as the most influential contribution to the establishment of the discipline. Before the model was framed some assumptions were made by Lewis;

1. The model assumes that a developing economy has a surplus of unproductive labor in the agricultural sector.
2. These workers are attracted to the growing manufacturing sector where higher wages are offered.
3. It also assumes that the wages in the manufacturing sector are more or less fixed.
4. Entrepreneurs in the manufacturing sector make profit because they charge a price above the fixed wage rate.

5. The model assumes that these profits would be reinvested in the business in the form of fixed capital.
6. An advanced manufacturing sector means an economy has moved from a traditional to an industrialized one.

W. A. Lewis divided the economy of an underdeveloped country into 2 sectors:

The capitalist sector- Lewis defined this sector as “that part of the economy which uses reproducible capital and pays capitalists thereof”. The use of capital is controlled by the capitalists, who hire the services of labour. It includes manufacturing, plantations, mines etc. The capitalist sector may be private or public.

The subsistence sector- This sector was defined by him as “that part of the economy which is not using reproducible capital”. It can also be adjusted as the indigenous traditional sector or the “self-employed sector”.

The “Dual Sector Model” is a theory of development in which surplus labor from traditional agricultural sector is transferred to the modern industrial sector whose growth over time absorbs the surplus labour, promotes industrialization and stimulates sustained development. In the model, the subsistence agricultural sector is typically characterized by low wages, an abundance of labour, and low productivity through a labour-intensive production process. In contrast, the capitalist manufacturing sector is defined by higher wage rates as compared to the subsistence sector, higher marginal productivity, and a demand for more workers. Also, the capitalist sector is assumed to use a production process that is capital intensive, so investment and capital formation in the manufacturing sector are possible over time as capitalists’ profits are reinvested in the capital stock. Improvement in the marginal productivity of labour in the agricultural sector is assumed to be a low priority as the hypothetical developing nation’s investment is going towards the accumulation of physical capital stock in the manufacturing sector.

Relationship between the two sectors

The primary relationship between the two sectors is that when the capitalist sector expands, it extracts or draws labour from the subsistence sector. This causes the output per head of labourers who move from the subsistence sector to the capitalist sector to increase. Since Lewis in his model considers overpopulated labour surplus economies, he assumes that the supply of unskilled labour to the capitalist sector is unlimited. This gives rise to the possibility of creating new industries and expanding existing ones at the existing

wage rate. A large portion of the unlimited supply of labor consists of those who are in disguised unemployment in agriculture and in other over-manned occupations such as domestic services casual jobs, petty retail trading. Lewis also accounts for two other factors that cause an increase in the supply of unskilled labour; they are women in the household and population growth.

The agricultural sector has a limited amount of land to cultivate, the marginal product of an additional farmer is assumed to be zero as the law of diminishing marginal returns has run its course due to the fixed input, land. As a result, the agricultural sector has a quantity of farm workers that are not contributing to agricultural output since their marginal productivities are zero. This group of farmers that is not producing any output is termed surplus labour since this cohort could be moved to another sector with no effect on agricultural output. Therefore, due to the wage differential between the capitalist and subsistence sector, workers would tend to transit from the agricultural to the manufacturing sector over time to reap the reward of higher wages. If a quantity of workers moves from the subsistence to the capitalist sector, regardless of who actually transfers, general welfare and productivity would improve.

In fact, total agricultural product would remain unchanged while total industrial product increases due to the addition of labour, but the additional labour also drives down marginal productivity and wages in the manufacturing sector. Over time as this transition continues to take place and investment results in increases in the capital stock, the marginal productivity of workers in the manufacturing will be driven up by capital formation and driven down by additional workers entering the manufacturing sector. Eventually, the wage rates of the agricultural and manufacturing sectors will equalize as workers leave the agriculture sector for the manufacturing sector, increasing marginal productivity and wages in agricultural sector whilst driving down productivity and wages in the sectors of manufacturing. Consequently, this transition process leads to the fact that the agricultural wage equals the manufacturing wage, and the agricultural marginal product of labour equals the manufacturing marginal product of labour. Moreover, no further manufacturing sector enlargement takes place as workers no longer have a monetary incentive to transition.

Criticism

The Lewis model has attracted attention of underdeveloped countries because it brings out some basic relationships in dualistic development. However, it has been criticized on the following grounds:

1. Economic development takes place via the absorption of labor from the

subsistence sector where opportunity costs of labor are very low. However, in situations like loss of crops during peak harvesting season, such labour transfer would reduce agricultural output.

2. Absorption of surplus labor itself may end prematurely because competitors may raise wage rates and lower the share of profit. It has been shown that rural-urban migration in the Egyptian economy was accompanied by an increase in wage rates of 15 percent and a fall in profits of 12 per cent. In fact, given the urban-rural wage differential in most poor countries, large scale unemployment is now seen in both the urban and rural sectors.
3. The Lewis model underestimates the full impact on the poor economy of a rapidly growing population, i.e. its effects on agriculture surplus, the capitalist profit share, wage rates and overall employment opportunities. Similarly, Lewis assumed that the rate of growth in manufacturing would be identical to that in agriculture, but if industrial development involves more intensive use of capital than labor, then the flow of labor from agriculture to industry would simply create more unemployment.
4. The transfer of unskilled workers from agriculture to industry is regarded as almost smooth and costless, but this does not occur in practice because industry requires different types of labor. The problem can be solved by investment in education and skill formation, but the process is neither smooth nor inexpensive.

The model assumes rationality, perfect information and unlimited capital formation in industry. These do not exist in practical situations and so the full extent of the model is rarely realized. However, the model does provide a good general theory on labour transitioning in developing economies.

2.3 Big Push Theory

The idea of a big push is one of the earliest theories in development economics and the original justification for foreign aid. The past years have witnessed the publication of numerous studies on aid effectiveness with varying results.

Introduction : How developing countries can escape poverty has for centuries been a controversial subject. A majority of economists agree that economic growth is important for achieving poverty reduction since it mainly determines the material well-being of people (Aghion and Howitt, 2009:2). Various theories explain how a country can achieve sustainable

economic growth. Originally developed by Rosenstein-Rodan in 1943, the big push theory has been influential in development economics, but became less popular during the market—oriented 80s and 90s (Easterly, 2006). However, the big push theory made a comeback in the new millennium and this thesis aims to contribute to this discussion. Poor countries are generally short on capital and are therefore constrained by low levels of savings and investments resulting in low economic activity. Foreign aid has been one of the main instruments for countries to break these constraints and one core objective is poverty reduction. There are cases of undeveloped countries caught in poverty traps, out of which they need a big push. This push, involving increased aid aimed to increase rates of savings and investments, should lead to a take-off in per capita income, all necessary for a permanent reduction in poverty (see e.g. UNCTAD, 2006:3 and Kraay and McKenzie, 2014). Even if economic growth is essential for reducing income poverty, the link is far from automatic. Various countries have experienced a decrease in income poverty due to economic growth, while other countries have experienced the opposite, increased income poverty despite economic growth.

The **big push model** is a concept in development economics or welfare economics that emphasizes that a firm's decision whether to industrialize or not depends on its expectation of what other firms will do. It assumes economies of scale and oligopolistic market structure and explains when industrialization would happen.

The originator of this theory was *Paul Rosenstein-Rodan* in 1943. Further contributions were made later on by Murphy, Shleifer and Robert W. Vishny in 1989. Analysis of this economic model ordinarily involves using game theory. The theory of the model emphasizes that underdeveloped countries require large amounts of investments to embark on the path of economic development from their present state of backwardness. This theory proposes that a 'bit by bit' investment programme will not impact the process of growth as much as is required for developing countries. In fact, injections of small quantities of investments will merely lead to a wastage of resources. Paul Rosenstein-Rodan approvingly quotes a Massachusetts Institute of Technology study in this regard, "There is a minimum level of resources that must be devoted to... a development programme if it is to have any chance of success. Launching a country into self-sustaining growth is a little like getting an airplane off the ground. There is a critical ground speed which must be passed before the craft can become airborne...."

- Rosenstein-Rodan argued that the entire industry which is intended to be created should be treated and planned as a massive entity (a firm or trust). He supports

this argument by stating that the social marginal product of an investment is always different from its private marginal product, so when a group of industries are planned together according to their social marginal products, the rate of growth of the economy is greater than it would have otherwise been.

THE THREE INDIVISIBILITIES

According to Rosenstein-Rodan, there exist three indivisibilities in underdeveloped countries. These indivisibilities are responsible for external economies and thus justify the need for a big push. The indivisibilities are as follows-

1. Indivisibility in production function
2. Indivisibility of demand
3. Indivisibility in the supply of savings

1. Indivisibility in production function

Indivisibilities in the production function may be with respect to any of the following:

- Inputs
- Processes
- Outputs

These lead to increasing returns (i.e., economies of scale), and may require a high optimum size of a firm. This can be achieved even in developing countries since at least one optimum scale firm can be established in many industries. But investment in social overhead capital comprises investment in all basic industries (like power, transport or communications) which must necessarily come before directly productive investment activities. Investment in social overhead capital is 'lumpy' in nature. Such capital requirements cannot be imported from other nations. Therefore, heavy initial investment necessarily needs to be made in social overhead capital (this is approximated to be about 30 to 40 percent of the total investment undertaken by underdeveloped countries). Social overhead capital is further characterized by four indivisibilities:

1. *Irreversibility in time*: It must precede other productive investments
2. *Minimum durability of equipment*: Any lesser level of durability is either impossible due to technical reasons or much less efficient

3. *Long gestation periods*: The investment in social overhead capital takes time to generate returns and its impact in the economy is not immediately or directly visible
4. *Irreducible minimum social overhead capital–industry mix*: Investment needs to be of a certain minimum magnitude and spread across a mix of industries, without which it will not significantly impact the process of growth.

2. Indivisibility (or complementarity) of demand

Developing countries are characterized by low per-capita income and low purchasing power as well. Markets in these countries are therefore small. In a closed economy, modernization and increased efficiency in a single industry has no impact on the economy as a whole since the output of that industry will fail to find a market. A large number of industries need to be set up simultaneously so that people employed in one industry consume the output of other industries and thus create complementary demand.

To illustrate this, Rosenstein Rodan gives the example of a shoe industry. If a country makes large investments in the shoe industry, all the disguisedly employed labour from the other industries find work and a source of income, leading to a rise in production of shoes and their own incomes. This increased income will not be expended only on buying shoes. It is conceivable that the increased incomes will lead to increased spending on other products too. However, there is no corresponding supply of these products to satisfy this increased demand for the other goods. Following the basic market forces of demand and supply, the prices of these commodities will rise. To avoid such a situation, investment must be spread out amongst different industries.

The situation may be different in an open economy as the output of the new industry may replace former imports or possibly find its market by way of exports. But even if the world market acts as a substitute for domestic demand, a big push is still needed (though its required size may now be reduced due to the presence of international trade).

3. Indivisibility in the supply of savings

High levels of investment require a corresponding high level of savings. We cannot always rely on foreign aid as the huge levels of investments in the different sectors need to be made not only once, but multiple times. Hence domestic savings are a must. But in an underdeveloped economy, this is a challenge due to the low-income levels. The marginal rate of savings needs to be increased following the rise in incomes due to higher investment.

Consider a country whose economy is characterized by a large number of sectors which are so small that any increase in the productivity of one sector has no impact on the economy as a whole. Each sector can either rely on traditional methods or switch to modern methods of production which would increase its efficiency.

The theory has been criticized by HlaMyint and Celso Furtado, among others, primarily on the grounds of the massive effort required to be taken by underdeveloped countries to move along the path of industrialization. Some of the major criticisms are as follows.

- *Difficulties in execution and implementation:* The execution of related projects during the course of industrialization may involve unexpected or unavoidable changes due to revisions of plans, delays and deviations from the planned process. HlaMyint notes that the various departments and agencies involved in the process of development need to coordinate closely and evaluate and revise plans continuously. This is a challenging task for the governments of developing countries.
- *Lack of absorptive capacity:* The implementation of industrialization programmes may be constrained by ineffective disbursement, short-term bottlenecks, macroeconomic problems and volatility, loss of competitiveness and weakening of institutions. Credit is often utilized at low rates or after long time lags. There is often a loss of competitiveness due to the Dutch disease effect.
- *Historical inaccuracy:* When viewed in light of historical experience of countries over the last two centuries, no country displayed any evidence of development due to massive industrialization programmes. Stationary economies do not develop simply by making large-scale investment in social overhead capital.
- *Problems in mixed economies:* In a mixed economy, where the private and public sectors co-exist, the environment for growth may not be a conducive one. Unless there is a complementarity between the sectors, there is bound to arise competition between them, with the government departments keeping their plans confidential out of fear of speculative activities by the private sector. The private sector's activities are simultaneously inhibited due to lack of information of government policies and the general economic situation.
- *Neglect of methods of production:* Rather than capital formation, it is productive techniques which determine the success of a country in economic development.

The big push model ignores productive techniques in its support for capital formation and industrialisation.

- *Shortage of resources in underdeveloped countries* : Eugenio Gudín criticizes the theory of the big push on the grounds that underdeveloped countries lack the capital required to provide the big push required for rapid development. If an underdeveloped nation had ample capital supply and scarce factors, it would not be classified as *underdeveloped* at all. Limited resource availability is the first impediment to such countries. Though this problem may be overcome by foreign aids, industrialization may not take off as expected if the aid flows are volatile.
- *Ignores the agricultural sector* : With its heavy emphasis on industry, the model finds no place for agriculture. This is a gaping flaw in the theory, as in most underdeveloped countries it is this sector which is large and has labor surplus. Investments in agriculture need to go hand-in-hand with those in industry so as to stimulate the industrial sector by providing a market for industrial goods. If neglected, it would be difficult to meet the food requirements of the nation in the short run and to significantly expand the size of the market in the long run.
- *Dependence on indivisibilities* : The emphasis of this theory on indivisibility of processes is too much, as investments need not necessarily be on such a large scale to be economic. Social reforms are ignored, which are vital if a country is to grow on the basis of its own resources and initiatives. Development is bound to intensify if social reform is a part of the industrialization process.

2.4 □ Gunnar Myrdal's Theory of Spread and Backwash Effects

Economic growth provides benefits and costs in the region in which it occurs. It has a positive impact on nearby localities if jobs, population, and wealth spill over into these communities. Alternatively, it has adverse effects on the nearby localities if growth in the core region attracts people and economic activity away from these peripheral areas. Circular cumulative causation is a theory developed by Swedish economist Gunnar Myrdal in the year 1956. It is a multi-causal approach where the core variables and their linkages are delineated. The idea behind it is that a change in one form of an institution will lead to

successive changes in other institutions. These changes are circular in that they continue in a cycle, many times in a negative way, in which there is no end, and cumulative in that they persist in each round. The change does not occur all at once as that would lead to chaos, rather the changes occur gradually.

Dynamics of the Thoery

In the characteristics that are relevant to the development process of an economy Myrdal mentioned the availability of natural resources, the historical traditions of production activity, national cohesion, religions and ideologies, economic, social and political leadership. Myrdal stated that the immediate effect of closing down certain lines of production in a community is the reduction of employment, income and demand. Through the analysis of the multiplier he pointed out that other sectors of the economy are also affected. Then he argued that the contraction of the markets in that area tends to have a depressing effect on new investments, which in turn causes a further reduction of income and demand and, if nothing happens to modify the trend, there is a net movement of enterprises and workers towards other areas. Among the further results of these events, fewer local taxes are collected in a time when more social services is required and a vicious downward cumulative cycle is started and a trend towards a lower level of development will be further reinforced.

Gunnar Myrdal developed the concept from Knut Wicksell and developed it with Nicholas Kaldor when they worked together at the United Nations Economic Commission for Europe. Myrdal concentrated on the social provisioning aspect of development, while Kaldor concentrated on demand-supply relationships to the manufacturing sector.

Spread refers to the situation where the positive impacts on nearby localities and labor markets exceed the adverse impacts. *Backwash* occurs if the adverse effects dominate and the level of economic activity in the peripheral communities declines. The idea of backwash originated in international-trade theory in a book by Gunnar Myrdal (1957). Myrdal noted that an increase in exports from a region may stimulate capital and labour flows into the region to the detriment of the localities from which the resources came. Thomas Vietorisz and Bennett Harrison (1973) later proposed that spread and backwash feedbacks between labour markets contributed to a divergence of technology levels, labour productivity, and wages in these markets. Gary Gaile (1980) used backwash concepts to describe the potential negative effects of urban growth on peripheral areas.

This growth in urban (core) areas may lead to a decline in rural (peripheral) population and employment (a backwash effect) if rural-to-urban flows weaken rural economies. Five types of flows contribute to backwash:

- Rural funds are invested in urban areas to take advantage of entrepreneurial activities and relatively rapidly growing markets for goods and services.
- Spending in rural trade and service markets declines owing to increased competition from urban businesses.
- Rural residents move to the expanding urban areas for improved access to jobs and urban amenities.
- Rural firms in the innovative stage of their life cycle move to urban areas to benefit from proximity to specialized services, skilled labor, and expanding markets.
- And finally, political influence and government spending may shift to the more rapidly growing core areas.

The adverse rural-to-urban flows occur in conjunction with the spillover of people, jobs, and funds from the growing core to peripheral areas (spread effects). The size and geographical extent of the beneficial and adverse forces on rural areas depend on the characteristics of the rural and urban areas and the nature of rural-urban linkages. In general, the beneficial forces are stronger for rural areas near urban cores, while the adverse flows dominate in regions more peripheral to the growing urban areas. Thus, backwash is more likely in rural areas outside of the rural-to-urban commuting zones.

The policy implications of backwash are that localities distant from urban growth centres will likely be adversely affected by regional economic-development policies that focus on innovation and entrepreneurial development in urban areas. These remote regions would need to devise economic-development programs that emphasize competitive advantages specific to their economies. It is generally recognized that Myrdal's work on development and underdevelopment made three important contributions.

1. He proposed a cumulative causation approach in opposition to the dominant one, which he called the stable equilibrium approach.
2. He pointed out that analyses of development processes, which only focus on economic factors, are irrelevant and misleading because historical, institutional, social and cultural factors also matter.

3. He disputed the existence of a body of economic thought that is 'objective' in the sense that it is contributing towards development concepts. This theory confirms the views expressed by the literature, clarifying some aspects of Myrdal's position that have not been sufficiently explored. Moreover, it points out the existence of a contribution to another point, which the literature has broadly overlooked, namely the fact that he criticized the logical consistency of the dominant theories, stating that they were based on unsatisfactory assumptions regarding the characterization of individual preferences. These assumptions were the heritage of utilitarian moral philosophy and rationalist psychology, which at the beginning of the 20th century the other social sciences had abandoned.

Myrdal himself stated that in "The Political Element in the Development of Economic Theory" (1930) he had focused on the subjective element of the neoclassical theory to criticize its logical consistency, that is 'to demonstrate that certain practices of reasoning common in economics were logically defective' (Myrdal, 1958, p. 237). A term used by G. Myrdal; "spread effects" describe the prosperity flowing from a central thriving area to peripheral less well-off areas. This could be related to the technological advances spreading out or it could be due to the fact that a growing area will need raw materials to fuel its continued growth.

Backwash Effect and Spread Effect



It is an economic development effect suggested by Swedish economist Gunnar Myrdal. It basically means that if one particular area in a country starts growing or developing, it causes people, human capital as well as physical capital (infrastructure, finance, machines etc.) from other parts of the country to gravitate towards this growing centre. This essentially leaves the other areas worse off than before because their best brains and capital leave them to go to the growing centre. It means that growth in one area adversely affects the growth in the other.

For instance, in India, let's say,

- Delhi is the developing centre with all the companies being set up there.

- Then people from all over Haryana, Punjab, UP, Bihar etc. have a tendency to move to Delhi because all companies are located there and better employment opportunities exist.
- So, Delhi will grow but the remaining areas will be worse off. This is Backwash effect.

Counter to the **Backwash Effect** is the **Spread Effect**

- It is an economic development effect suggested by Swedish economist Gunnar Myrdal
- development in one place, spreads to its suburbs and all the adjoining areas.
- Again, taking the example of Delhi, we could argue that suburbs like Faridabad, Gurgaon, Ghaziabad etc. have benefited from Delhi's growth due to the Spread Effect caused by Delhi's growth

2.5 Questions

1. Highlight the main components of Lewis Model of Economic Development.
2. What is Big Push? How does it influence economy?
3. What are Spread and Backwash Effects? Highlight the concept in relation to Myrdal's Theory.

2.6 Suggested Readings

- Easterly, William. 2006. "Reliving the 1950s: The Big Push, Poverty Traps, and Takeoffs in Economic Development." Forthcoming, *Journal of Economic Growth*.
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Unit 3 Need for Rural Development

Structure

3.1 Defining Rural

3.2 Need and Importance of Rural Development

3.3 The New Approach to Rural Planning

3.4 The Gandhian Approach to Rural Development

3.5 Questions

3.6 Suggested Readings

3.1 Defining Rural

There are many ways to define areas that are “rural.” Although the general idea of specifically conceptualizing “rural” areas came into use in the 1920s with its basis in sociology, many, if not most, of the current explanatory frameworks evolved to provide guidance for the distribution of government monies or to perform a census of places and people. As a corollary to these classification systems, there persists the traditional assumptions that tend to go along with the word “rural,” assumptions that are often ungrounded and at best belie the diversity inherent in areas typically grouped together as “rural” or “nonmetropolitan.” For instance, it is a commonly held belief that farming is a mainstay of most rural economies. In fact, fewer than one-fifth of rural counties in North America now have a significant economic dependence on farming, and the 20% of nonmetro counties that have farming as their principal economic base contain less than 10% of the nonmetro population (Deavers, 1992). Moreover, the geopolitical boundaries that usually serve as the basis for these classifications often are not optimal.

3.2 Need and Importance of Rural Development

India lives in its villages, and while the cities have grown immensely over the last fifty years, rural areas have not seen that kind of development. For India’s economy to be strong, the rural economy needs to grow. Rural areas are still plagued by problems of malnourishment, illiteracy, unemployment and lack of basic infrastructure like schools, colleges, hospitals, sanitation, etc. This has led to youth moving out of villages to work in cities. “All

of us know,” for example, that people prefer to live in cities because there are more opportunities, services, and great personal fulfillment. “Everyone knows” that successful business and economic development must stay focused on metropolitan locations to maximize transportation and labor costs. “Everyone knows” that many of our small towns and villages are in distress and that even though the *unsettling* of the countryside may be a national tragedy, it amounts to no more than a natural process that will continue to occur over the next century.

Basically, what we need is to empower the rural people by providing them education and proper health care. They need to have infrastructure like electricity and water so that they are free from the cycle of droughts and floods. We need to give them self-employment so that they want to stay in villages instead of migrating in cities. There is a need to empower the villagers, and not just supporting them by food subsidies, loan waivers which end up crippling them. India will grow only when rural India marches hand in hand with cities in the twenty first century. Rural development is a national necessity and has considerable importance in India because of the following reasons:

1. To develop rural area as whole in terms of culture, society, economy, technology and health.
2. To develop living standard of rural mass.
3. To develop rural youths, children and women.
4. To develop and empower human resource of rural area in terms of their psychology, skill, knowledge, attitude and other abilities.
5. To develop infrastructure facility of rural area.
6. To provide minimum facility to rural mass in terms of drinking water, education, transport, electricity and communication.
7. To develop rural institutions like panchayat, cooperatives, post, banking and credit.
8. To provide financial assistances to develop the artisans in the rural areas, farmers and agrarian unskilled labour, small and big rural entrepreneurs to improve their economy.
9. To develop rural industries through the development of handicrafts, small scaled industries, village industries, rural crafts, cottage industries and other related economic operations in the rural sector.

10. To develop agriculture, animal husbandry and other agricultural related areas.
11. To restore uncultivated land, provide irrigation facilities and motivate farmers to adopt improved seed, fertilizers, package of practices of crop cultivation and soil conservation methods.
12. To develop entertainment and recreational facility for rural mass.
13. To develop leadership quality of rural area.
14. To improve rural marketing facility
15. To minimise gap between the urban and rural

The Urban - Rural Imbalance

Since 1950 it should be clear that metropolitan settlement structure leading to urban conglomerations is the dominant growth form of the world. Metropolitan areas will account for 70 percent of the net growth in world population during the 1990s - an additional 67 million people every year. Other than natural increase, the prime engine of metropolitan growth is rural-to-urban migration. It is, however, important to note that rural - to - metropolitan trends have changed directions several times in the latter part of the 20th Century. It would appear that change, rather than stability, is the typical demographic and economic situation for most of the world's rural and nonmetropolitan areas at the end of the 20th Century. The United Nations reports that 43 percent of the world's population lived in urban areas in 1990; a 34 percent increase since 1960. In the next several years (2005), the world will pass a historic milestone: more than half of its population — or more than three billion people — will live in cities. At the turn of the century, only 14 percent of the Earth's population called cities home — and just 11 centres on the planet had more than one million inhabitants. Now there are 400 cities with populations of at least one million, and 20 megacities with populations exceeding 10 million, with a half dozen of them approaching or exceeding the 20 million level. While the developing world still flocks to core cities, much of Europe, North America, the Russian Federation, and Australia are reversing the process: emptiness at the centre and growth on the edges - or the new "Edge City" metropolitan areas. At the halfway mark of the 21st Century, more than 70 percent of the world's population will live within the metropolitan framework (an area now loosely defined up to 40 - 100 kilometers from the older urban cores). In most more developed nations, especially in North America and Europe, the urban-rural distribution now stands at 75 - 80 percent metropolitan to 20 - 25 percent rural.

The most common factor contributing to rural-to-urban migration is rural unemployment resulting in part from rural areas having higher fertility levels than urban areas, according to Lori S. Ashford, a senior policy analyst with the Population Reference Bureau (PRB). A shortage of basic technology in rural areas also promotes out-migration and environmental degradation; it has led to a serious shortage of arable land in many communities throughout the developing world. While the growth of cities can contribute to economic progress, the study notes that problems arise when urbanization “occurs so rapidly that it strains the ability of urban governments to provide housing, sanitation, public safety, and other necessary services — and when there are not enough jobs.”

The New Paradigm

The relationship between government and economic development began to change marked during the late 1970's and early 1980's. The beginning of the 1980's saw many less developed countries heavily borrowed and unable to service their debt. The physical plant and infrastructure fashioned in the 1950s and 1960s - often of exceptionally poor quality - created high levels of service costs that even the most developed nations could not bear. Hardest hit were the rural economies and regional settlement patterns resulting in a virtually unabated flow of resources to the metropolitan areas. The final result was the beginning of the demise of the centrally-planned economy and the ushering of the “Age of Austerity.” The concept of integrated population and development planning had to be adjusted in light of the changes brought about by this austerity.

Many planners and development analysts regarded the goals of development under austerity as self-evident and non-problematic, seeing the only problems as concerning how to attain them. [Nussbaum and Sen, 1989]. The new paradigm recognized that both the environment and human settlement were *open* systems and regulated by things happening beyond local and national boundaries - *the Global Economy* - and greatly affected by natural and human imbalances. In short, the *urbancentric* view of the world was called into question, especially the prevalent notion that the purpose of rural areas was to provide food, fuel, and cheap workers. The new paradigm not only recognizes the connectivity of the urban - rural spheres, but also addresses the issue of rural vitality. For, unless rural areas are revitalized, the metropolitan centers must ultimately provide the rescue funds and resources to support the countryside. The solution is what we typically call *economic development*. In principle, the new paradigm called for self-sustaining economic growth and social policy designed to provide the requisites of existence and citizenship. While the former can help provide the fuel for the latter, we must be under no illusion that growth itself will fulfill basic needs.

3.3 □ The New Approach to Rural Planning

The most important question to be asked is “are rural areas and country towns sustainable as working and living communities?” Many rural areas have proven to be *persistent* - they have sustained while both inner city and suburban area have declined in the face of metropolitan spread. The only reasonable conclusion that can be reached concerning this persistence is their *diversity*. Less than a century ago the rural economy depended almost entirely on resource extraction, agriculture (and support service to agriculture), and fishing.

Economic Diversity

The rural areas that show the most favorable growth and economic strength have their economies based on recreation and tourism. Throughout most of North and South America, Western Europe, Australia, and New Zealand the lure of the natural environment and tourism (place and historicity) are significant parts of their economies. Firms and industries built around the exploitation of amenities show exceptionally strong growth and are a world leader in providing new jobs.

Are rural economies built around tourism and amenities sustainable? Thought on this question is decidedly mixed and generally negative. Tourism, in one form or another is the world’s second largest industry. As a whole, this activity *mines* and *extracts* wealth in the form of money and exports the final resources to metropolitan areas where the corporations and trusts reside. Tourism is dependent on wealth and increasing affluence - it is not an activity within reach of the world’s poor. Thus, there is a closed cycle of events whereby tourism and amenity based economies demand ever increasing affluence and affluence itself is associated with migration to metropolitan areas. Tourism and amenity jobs are among the lowest paying service industries in the world - or what is termed minimum or subsistence wage in most countries. The firms that service the local industries are labor intensive and built around employment in food service, lodging and accommodation, information assistance, maintenance, and service sales to the traveling public. Since most tourism is seasonal, the industry depends on high migration rates based on *boom and bust* seasons that in turn demand the cheapest labor available. Factors such as poor seasonal weather, higher transportation costs due to both profit taking and increasing costs for fuels can send a local economy into shambles within a short period of time - causing some of the highest unemployment rates in any industry.

Finally, there is the long term (and often conflicting) goal of greater economic sustainability in local areas based on tourism and amenities. The goal is to extend visiting seasons by creating greater opportunity to capture market share of tourism monies. Since 1980 the most popular methods in the western world are gaming or gambling, conventions/meetings, and multiple use recreation (golfing, theme parks, and similar facilities). The controversy over gaming/gambling as a supplement to economic diversity continues in a worldwide debate. Regardless, it has achieved phenomenal rates of return and now appears to be reaching saturation as larger scale enterprises are developed. Wage and salary incomes paid to industry employees are among the highest in rural areas.

Remoteness

Remoteness is the one characteristic that all true rural areas share in common. It is viewed as both an asset and a major liability. Many development specialists and rural sociologists take the stance that remoteness and isolation is an asset. They argue that small structure, vertical leadership, and cooperation are important strengths that contribute to ethic and social identity. Although they acknowledge that interlocal cooperation with regional towns is important, they also counter that individual community ties are the most important process in local development. They imply that to dismiss the importance of local pride, concern, and problem solving capabilities would ignore much of the community's true resource base [Allen, pg. 219].

On the other hand, current economic development practice now strongly is encouraged in rural areas that promotes inter-community cooperation, assimilation with other communities, and common work towards development. This is based on the theory that small size and remoteness is *the* major inhibitor of development efforts. Thus, the other side of the problem is how to overcome distance factors in rural areas. In general, remoteness factors are related to four major policy choices in central planning: transportation, critical service deliver, communications, and jobs skills/training. Communications, more specifically telecommunications amounting to both advanced systems of current technologies, and emerging forms of real time delivery, are predicted by many to be the total planning solution for rural areas. Unlike transportation outcomes, which must overcome *place to place* remoteness, telecommunications offer the hope of *in-place* service and need delivery. It is attractive, if for no other reason, because it offers quick and incremental *upgrade paths* - often at a decreasing marginal cost - rather than enormous sunk costs experienced in transportation and regional development.

The final factor is training and skill development. No society or societal sector in the world can afford to concentrate its educational and development resources solely in metropolitan areas. Yet, decentralization of educational resources and development is not too high in rural areas.

Lack of Resources

A lack of basic resources to meet rural residences' needs is repeatedly shown as a major factor in a community's inability to sustain and maintain community identity and commitment. Resources are understood to mean both fiscal (material) and human and therefore most planning solutions employ a two-pronged set of policies designed to increase resource capacity.

Efforts to redirect material resources to rural areas have been ongoing throughout the 20th Century and far outnumber programs targeted towards urban areas. Worldwide, major efforts include wide-ranging programmes such as education (extension), farm and price supports, direct grants-in-aid, revenue sharing, new towns, and health care etc. No comprehensive assessment of the effectiveness of these programmes exists, but few will venture to say that trillions of dollars poured into rural development has not made a difference in the shape of the nonmetropolitan sectors of our countries.

The argument against sustainability and a total planning solution is that a heavy presence of the second type of RIs denotes increasing poverty in the region. Some researchers note, therefore, that the presence of the second type of RIs can only be justified on the basis of their labour intensity and not productivity or income gains.

Building Local Capacity as A Route to Sustainability

Throughout North America, much of Western Europe, Australia, and New Zealand, community generated rural revitalization (generally termed Local Economic Development - or LED) is currently a matter of considerable profile. A prominent feature of this activity is what is termed the *process related dimensions* of rural LED -meaning that the capacity of individual communities to bring about a better future for themselves depends in no small measure on how well they are equipped in terms of leadership and team related skills.

The root challenge of all rural communities must be the shaping of new strategies responsive to the enduring realities of rural economies and cultural life - high unemployment; persistent poverty; deteriorated social well-being; lower earnings; and diminished health care - as well as changing national and global circumstances. Revitalizing "rural" must include the participation of small communities in search of positive change, whereby local

people are encouraged to think more about their futures and to put into practice their ideas for securing those futures. Capacity building, therefore, deals mostly with the ability of local people to solve problems. These *process dimension programmes* seek to bring about change by forging new skills within rural communities related to leadership, mediation and conflict resolution, group processes, understanding the business of government, and the articulation of a shared vision. In the simplest terms, capacity building can be defined as increasing the ability of people and institutions to do what is required of them [Newlands, 1981].

The Impact of Telecommunications

“While we weren’t looking, the future arrived” [Cong. Office, 1997]k Since the middle 1980s, futurists such as Alvin Toffler [Toffler, 1985] have said that “it is certainly no secret that our society is moving away from a manufacturing focus and becoming an information driven machine . . . The nascent markets of the next century are based on value-added service which are typically the result of adept information management.” [page 43]. The heart of this new information *Third Wave* technology is the digital network and digital communications via the computer modem, faxes, and wireless telephones.

The true, large scale impact of telecommunications on rural areas lies some distance in the future; some would say between the year 2030 and 2050 before global wireless is a truly dependable and integrated source of doing business. Even now in 1997, digital communications through the *Internet* are reforming some selected market relationships between rural and metro locations. Without a doubt, telecommunications will have a marked impact on the two overriding factors that affect non-metropolitan performance: remoteness and labor pools.

Reliable, real time telecommunications cannot solve, but will certainly diminish the impact of distance between more remote rural locations and their major markets and suppliers in metro areas. The burgeoning service sector worldwide that is essentially responsible for the assimilation, interpretation, and management of information will no longer be place bound - location will be irrelevant assuming that global communications will be the same everywhere. Telecommunications will be a major factor in transforming, rather than reforming, the way rural communities do business and live their lives. No amount of digital information can reform the basic distinction between the urbanized and the small place given the massive imbalance of resources. It cannot be *a total planning solution*, but it can help to create a greater competitiveness in the way rural people receive their

education, medical and social care, market their goods, acquire their supplies, and conduct their affairs. It is assumed that rural areas already showing signs of great vitality will be best positioned to benefit from the new technologies and more remote centers already in decline the least.

There is, however, a counter hypothesis to this argument. Telecommuting may contribute to further suburbanization and urban sprawl by releasing households from location constraints related to maximum acceptable commute time and distance (Mokhtarian, 1991b). Because the practical use of modern digital telecommunications is such a relatively new activity, no studies have been able to confirm or deny this hypothesis (Handy, 1994). If this indeed occurs, the environmental costs of further sprawl could far outweigh benefits received by reduced automobile and office use. It is difficult to estimate the likelihood of this scenario because there are so many factors contributing to housing location decisions.

The second overriding factor related to rural - metro imbalance likely to be impacted by telecommunications is the labor pool itself. Remote, rural areas may (at least according to some studies and many common perceptions in local economic development) be good places to start both services and new start-up firms, but they cannot sustain the need for increased capital and labor due to lack of available resources and worker pools. The concept of *telecommuting* - large groups of workers who are place bound throughout a nation, but who work for a remote and centralized firm via digital communications - will diminish the need for regional labor. The argument that telecommunications can never supplant the need for specific site, skilled labor in manufacturing and fabrication will always remain valid, however it is necessary to realize that most now agree that the distinction between value-added activities and services is becoming less important.

3.4 □ The Gandhian Approach to Rural Development

In the Indian context rural development may be defined as maximising production in agriculture and allied activities in the rural areas including development of rural industries with emphasis on village and cottage industries. It attaches importance to the generation of maximum possible employment opportunities in rural areas, especially for the weaker sections of the community so as to enable them to improve their standard of living. Theoretically, Gandhian approach to rural development may be labelled as 'idealist'. It attaches supreme importance to moral values and gives primacy to moral values over material conditions. The Gandhians believe that the source of moral values in general lies

in religion and Hindu scriptures like the Upanishads and the Gita, in particular. The concept of 'Rama Rajya' is the basis of Gandhiji's idea of an ideal social order. Gandhi defined Rama Rajya as "sovereignty of the people based on moral authority". He did not view Rama as a king, and people as his subjects. In the Gandhian scheme, 'Rama' stood for God or one's own 'inner voice' Gandhi believed in a democratic social order in which people are supreme. Their supremacy is, however, not absolute. It is subject to moral values.

M.K. Gandhi (1941) very clearly mentions socio-economic and political problems which are deep rooted in Indian villages. He dreamt that Indian village people should be free from malnutrition, poverty and unemployment in near future. The principle of non-violence could be upheld in the present society through the village economy as well as the sufficient marketing methods. He emphasizes the need for rebuilding Indian villages and its developmental features in all dimensions. Shriman Narayan (1960) very clearly and analytically explains the Gandhian planning to the society and its implementation. He presents some arguments for proving the authenticity of Gandhi's view on rural development approach.

Ideal Village:

The village is the basic unit of the Gandhian ideal social order. Gandhi succinctly pointed out, "If the village perishes India will perish too.... We have to make a choice between India of the villages that is as ancient as herself and India of the cities which are a creation of foreign domination". Gandhi's ideal village belongs to the Pre-British period, when Indian villages were supposed to constitute the federation of self-governing autonomous republics.

Mahatma Gandhi, was probably the first among our leaders to promote rural development in India. On March 30, 1946 at the Prayer meeting at Urulikanchan before leaving for Delhi for final negotiation with the British, Gandhiji reiterated that we cannot retain power in Delhi without developing rural India. His concept of rural development meant self-reliance with least dependence on outsiders. The Swadeshi Movement was launched through spinning and weaving to promote Khadi. This also provided livelihood to the rural people. The other emphasis was curb on consumption as excessive consumption causes pressure on resources and adds to wastage and pollution. His thought-provoking statement, 'there is enough on this earth to meet the need, but not the greed' has now become a universal slogan for ensuring environmental protection and sustainable development. The Gandhian model of development can provide solutions to our rural problems which are linked to the basic needs of the people, such as 'Anna' (livelihood), 'Akshar' (literacy),

‘Arogya’ (health) and ‘Acharan’ (moral values). While the development programmes should aim at meeting these needs, it is essential to blend these activities with ‘Dharam’ not any particular religion but the essence of all religions along with a focus on moral values ‘Acharan’. In the absence of moral values, particularly non violence, non addiction to gambling, drugs and alcohol and marital discord, the development may shape our future generations as demons, instead of citizens of a civilised society. If one can insist on adopting moral values, it will be easy to curb one’s greed and with sincere efforts, there will be no difficulty in meeting one’s needs.

Our natural resources although degraded and abused beyond sustainability, still have the potential to support its people. However, we need to discipline ourselves for managing our resources and environment carefully. This calls for a radical change in our planning strategy. Earlier, our rural development programmes were planned by the Planning Commission and thereafter at the state headquarters. Later on, we accepted the need for planning at the district level. Considering the variation in the quality of our natural resources and opportunities at the village level, it is strongly recommended to develop block level or taluka level planning.

Such decentralised, ‘micro level planning’ should primarily focus on conservation and optimum utilisation of water resources. As water is the basic need, supply of safe drinking water for our rural people should be the priority. We transport water hundreds of kilometres to set up our industries and to meet the demand in urban areas. Then why not for the rural people? If we can ensure safe potable water for them, we can solve the major problem of health, because a majority of the health disorders in rural areas is linked with contaminated water. This can also reduce the drudgery of rural women who often have to walk barefoot a long-distance carrying headloads of water throughout the year. Subsequently, our farmers need water to maintain their livestock and the surplus can be used for growing trees and crops.

Indian planning should also explore the possibility of making optimum use of the degraded land and unproductive livestock which are posing a threat to our environment. Wastelands spread almost over one half of the total land area in the country cannot absorb rainwater. The water and top fertile soil flow through agricultural fields into the river resulting in floods and droughts. In this situation, the efforts and resources of our development agencies are diverted towards relief measures. Livestock, when left free for grazing, denude our pastures and forests. This further accelerates the process of soil erosion, floods and global warming. Hence our planning should give priority to convert our wastelands

and non-descript livestock into productive assets for ensuring employment and livelihood in rural areas, while enriching our environment. It is difficult to motivate villagers to adopt family planning without assuring good health. Child care through nutritional awareness camps and Anganwadis should become an important component of our health care programme. Literacy too cannot be ignored, because in the absence of functional literacy, rural people cannot adopt appropriate technology. Even if they earn surplus money, they may not utilise it in the proper direction. This can be harmful for the community.

As livelihood, education and health are inter-related, we need to tackle them simultaneously. This integrated approach can provide an excellent opportunity for the development agencies and field workers to interact with the rural people, who in turn can be motivated to participate in development programmes. The focus of a programme should be on the rural family rather than on a village. This is because the village has a heterogeneous character with respect to socio-economic status. If this important fact is overlooked, the benefits of development are invariably snatched by a few well-to-do families. As a result, the development agency becomes instrumental in widening the gap between the rich and poor. It is necessary to realise that the programme should be competent to attract the rural poor. Efforts should also be made to involve rural women who contribute to about 75% of the family responsibility through child care and development. The government entered the areas of dairy cattle production, runoff water harvest, horticulture, forestry, sericulture, bio-energy, skill-oriented training and community health programmes for development of women and children. Such activities enable the families to settle down within 5-7 years and develop their own infrastructure to continue the activities without external support. An integrated programme to rehabilitate the weaker sections of the society on a hectare of degraded land through tree-based farming systems has been a major breakthrough for ensuring livelihood along with a clean environment.

Rural Development has never been a new concept for India; it is rather interwoven in the heritage of Indian culture, mention of it has been made along with the history of mankind. Even in the famous epics like Ramayana and Mahabharata the instances of rural governance in terms of welfare of the people, justice to the people has been made. During the British rule, no sincere efforts were made for rural development. Famines were a common phenomenon, and rural agrarian economy suffered a lot under the feudal system. The tillers of the soil were isolated from their land. According to Ministry of Rural Development (2013-2014) India has the largest rural population in the world. Sixty-nine per cent of Indian population, that is 833 million people, lives in rural areas. The population

of rural India is about 12% of the world population, which makes it bigger than the size of Europe. Most of the rural people remain engaged in farm related activities. It is difficult to make out a living from the small and marginal farms upon which over 80 per cent of rural households depend. The unemployment rate in rural India has increased by 2% in rural areas. As on January 1, 2010 the number of unemployed was 9.8 million. By January 1, 2012 it has increased to 10.8 million. In rural areas poverty ratio remained above 50% with a marginal decline until mid-1990s and declined faster thereafter. Promoting development in rural areas is a slow and complex process faced with many challenges. The enhancement of productivity and income of rural communities is at the core of rural development. Due to lack of adequate options, majority of rural population rely on agriculture and farm related works for their livelihood. Moreover, social and economic inequality adversely affects people's quality of life; leading to a higher incidence of poverty.

Gandhi visualized an ideal social order wherein man and machine together would promote the basic human values. The approach of Gandhi based on decentralization with its corollary people's empowerment opens up a new chapter in the socio-economic and political order. Gandhi sought to revive villages for it is impossible to have non-violence on a factory civilization which is essentially materialistic. Thus, Gandhi advocated Swadeshi, which symbolizes economic self-reliance and economic independence. He envisaged an ideal socio-economic and political order with the individual at its center. For Gandhi, true economics, stands for social justice; it promotes the good of all by equally including the weakest, and is indispensable for decent life." The Gandhian approach to economic problems is an essentially practical and Gandhian approach to rural development accepts the method of planning and development but of different nature. He did not want it along industrial lines. He wanted to prevent our villages from catching the infection of industrialization. Gandhian plan is man centered one. As the plan has integrated approach to rural life it covers all the aspects of rural life. Gandhi is a champion of swadesi or home economy. According to him mass production forces the people to leave their villages, their land, their craft and their homesteads. Gandhi was always laying stress on the twin principles of maximum production and fuller employment.

3.5 □ Questions

1. Highlight the needs and importance of rural development.
2. Highlight the Gandhian Approach of Rural Development

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Unit 4 □ Rural Economic Base

Structure

4.1 Rural Co-operatives

4.1.1 Introduction

4.1.2 Historical Background of the Co-operative

4.1.3 Cooperative Movement in India

4.1.4 Types of Co-operative Societies

4.1.5 Role of Agricultural Co-operatives

4.2 Agricultural Marketing

4.2.1 Introduction

4.2.2 Birth of Market Regulation

4.3 Regulated Marketing System in India and Reforms

4.4 Questions

4.5 Suggested Readings

4.1 □ Rural Co-operatives

4.1.1 Introduction

Rural development is a major concern before our planners. Most of the planning objectives cannot be achieved without making sufficient and necessary efforts towards rural development. How the issue of rural development is addressed by country decides its approach towards comprehensive economic development. From this point of view the process of development in every developing country should be rural development. Most of the developing countries have a large population in rural areas. There is continuous and growing divide between urban and rural regions. This growing division leads to neglect of rural areas, disproportionate distribution of resources and absence of logical approach towards development.

Want of resources, lack of infrastructure, low income and lack of progressive approach of people are some of the reasons of absence of low development in rural areas. When a large population stays in rural area, a country cannot afford to neglect the growth process and aspiration of people in rural area. Without economic transformation the social change and development is not possible. In country like India rural regions often are extremely neglected and not properly attended. When it comes to developmental process, inadequate resources, lack of development processes, inappropriate system of implementation are some of the reasons of the poor rural development in India as well.

Rural cooperatives :

Cooperative must have a great and long history of its implementation both in the developed and developing nations. First cooperative movement started in England, today its beneficiaries are spread all over the world. Various financial institutions and Banks are result of principles of cooperatives. Cooperative institutions have brought changes in many societies and nations. When it comes to conflict of ideologies like capitalism and socialism often cooperative is considered as middle path. Cooperative ideology and institutions work as golden means that balance the priorities, preferences and requirements of different stakeholders in effective manner. In India cooperative has been expected as mantra of development in early 20th century. Since then a large number of cooperative institutions have emerged and have changed socioeconomic dimensions of developmental process. The weaker section of the society, backward communities, unorganized economic players are rightly benefited through cooperative organizations. In a heterogeneous country like India the purpose of development cannot be achieved by using a single mechanism and unique ideology. It requires multifold solution. A mix of various institutions, agencies and techniques only can help to achieve the goal of economic development. That is why Indian planners have adopted mixed economic system, giving scope and opportunity to capitalist and socialist ideas and simultaneously have given cooperatives and cooperative institutions due weightage and importance.

In rural India the only solution for rapid economic development can come in the form of rural cooperatives. Rural India requires economic institutions that can utilize and scatter small resources effectively. It requires institutions that are helpful in creating confidence, organizing people and utilizing their resources effectively. From this point of view rural cooperatives have a vital role to play. These institutions can bring in desired social change and help in economic development. Rural cooperatives can generate desired confidence which can help in creating appropriate infrastructure and improve the network of various

agencies and institutions in rural area. Rural cooperatives can play the role of catalyst in organizing resources, implementing plan and developing the target of economic development. Rural cooperatives have a great role to play in organizing small but profitable purposive economic activities. They can take initiative to create a right system with people's participation as the basic plank of socio-economic transformation.

4.1.2 Historical Background of the Co-operative

Ancient records and archaeological discoveries in fact provide evidence that co-operative activity was common in early civilization. For example, many years before the birth of Christ, the Chinese developed sophisticated savings and loan association not too different from those we have today. In addition, Babylonians developed a way for farmers to cooperate and farm together, and craft and burial societies were common among ancient Egyptians, Greeks, and Romans. In 1752, Benjamin Franklin, one of the signers of the Declaration of Independence, helped start is considered the first formal co-operative business in the United States (Cobia 1989). It is not clear who first thought of identifying and proposing the concept and content of cooperative principles. However, it is generally agreed that current-day principles evolved from "rules of conduct and points of organization" put forth by the Rockdale Society, probably for the first time. The Rochdale Society continued to evolve from its founding in 1844 during the 16 years up to its 1860 publication and thereafter. The Rockdale principles are a set of guidelines that grew out of the experience of the Rockdale Society. This co-operative operated for the first eight years under the Friendly Societies Act of British law. In 1852 they incorporated. The 28 founders of the Rochdale Society, often called the Rochdale pioneers, were from a variety of profession such as cloth manufacturer, wool sorters, shoemakers, traders etc (Cobia 1989). Robert Owen assumed as father of co-operative movement. Co-operative movement in the Globe has already stepped into the hundred and sixtieth year of its existence. In India, it has a history of a century now since the enactment of "the Co-operative Credit Societies Act, 1904 (Act 10 of 1904)" under the British hegemony on Raiffeisen model borrowed from Germany (Bandyopadhyay 2004) The term co-operation is derived from the Latin word co-operari, where the word co means 'with' and operari means 'to work'. Thus, co-operation means working together. So those who want to work together with some common economic objective can form a society which is termed as "co-operative society". It is a voluntary association of persons who work together to promote their economic interest. It works on the principle of self-help as well as mutual help.

4.1.3 Cooperative Movement in India

From the days of Hazare Committee (1971) to Vaidhyathan Committee (2004) and High-Powered Committee on Cooperatives (2009) Government has shown its intent on institutional and legal reforms to make the cooperatives as vibrant economic entities. The development of Cooperative movement is so spectacular that it has emerged as a very big sector in Indian economy contributing to the economic development of this country. Maharashtra has been in the forefront in the cooperative movement. With its success on one hand, the Cooperative movement has been facing severe criticism on other, only because of few instances of mis-management, malpractices and failures in this movement. To enable the state to maintain its premier position in the country in this respect, the government had decided to give due emphasis to capacity building of all the stakeholders in the cooperative sector. With a view to ensure this and having regard to the fact that a large number of training programmes have been organized for the capacity building of officials and non-officials of Co-operative Banks / Co-operative Credit Societies / DCC Banks/ APMCs, it was felt necessary to establish a Centre for Co-operative Training and Research. The Centre for Co-operative Training and Research was established on 7th April 2004. The history of co-operative movement in India was initiated with the passing of the first cooperative societies act in 1904 by the government of India. The primary objective of this act was to extend credit facilities in adequate measure at a cheap rate of interest. However, in the Act of 1904, nothing was said about the establishment of central bank necessary for financing of the primary credit societies. The Act of 1912 recognized along with co-operative credit societies, cooperatives for marketing, farming, housing etc. The consequent acts in the years 1919 and 1925 minimized the limitations of the previous laws. Co-operative movement has also been highlighted by the rural Survey committee (1954), by Vaikuntlal Mehta Committee (1960) and also by the five yearly plans. In 1901 the famine commission expressed the view that ‘in the establishment of mutual credit associations lies a large hope for the future of agriculture in India and the probability of lasting success which will be greatly strengthened if mutual credit associations take root and flourish in the country.’ The attainment of independence by India gave impetus to the development of the cooperative movement as the rural development received priority in the development of the nation building agenda of the Government of India. There was a marked shift from the laissez faire state to a welfare state, with emphasis of planning. The encouragement and the financial support extended by the government of India and state government resulted in not

only in the expansion of the credit co-operative institutions but also led to the proliferation in several other fields.

4.1.4 Types of Co-operative Societies

1. Consumers' Co-operative Society:

These societies are formed to protect the interest of general consumers by making consumer goods available at a reasonable price. They buy goods directly from the producers or manufacturers and thereby eliminate the middlemen in the process of distribution. Kendriya Bhandar, Apna Bazar and Sahkari Bhandar are examples of consumers' co-operative society

2. Producers' Co-operative Society:

These societies are formed to protect the interest of small producers by making available items of their need for production like raw materials, tools and equipments, machinery, etc. Handloom societies like APPCO, Bayanika, Haryana Handloom, etc., are examples of producers' co-operative society

3. Co-operative Marketing Society:

These societies are formed by small producers and manufacturers who find it difficult to sell their products individually. The society collects the products from the individual members and takes the responsibility of selling those products in the market. Gujarat Co-operative Milk Marketing Federation that sells AMUL milk products is an example of marketing co-operative society.

4. Co-operative Credit Society:

These societies are formed to provide financial support to the members. The society accepts deposits from members and grants them loans at reasonable rates of interest in times of need. Village Service Co-operative Society and Urban Cooperative Banks are examples of cooperative credit society.

5. Co-operative Farming Society:

These societies are formed by small farmers to work jointly and thereby enjoy the benefits of large-scale farming. Lift-irrigation cooperative societies and Pani-panchayats are some of the examples of co-operative farming society.

4.1.5 Role of Agricultural Co-operatives

1) Providing credit to agricultural field-

Farmers, laborers, artisans get such assistance to protect farmers from the hands of landlord's credit co-op. provides protection.

2) Assistance to small-scale industry-

There are artisans, small entrepreneurs at rural level. These small entrepreneurs can be financially supported by co-operatives. It helps to create employment opportunities and, then improve the standard of living of rural people.

3) Development of processing industry-

Factories based on agricultural product can my be started such as Sugar factory, Paper mill, Rice mill, Dairy business, etc. Business could be started because the required raw material is easily available.

4) Employment opportunities-

In India we are facing big problem of unemployment. Co-operatives formed in different regions help to eradicate unemployment by creating employment opportunities.

5) Saving habits-

Weaker section of the society having less finance tends to spend fully without the provision of future. It is co-operative credit society, which inculcates the saving habits among the masses.

6) More participation in export-

The economy of any country becomes healthy when it has more export and less import. Co-operative sector has definitely helped to produce more and export it to foreign countries especially in the field of agriculture, Dairy, etc.

7) Source of rural development-

Majority of people in India resides in rural areas. After 62 years of independence majority of Indian in rural areas are still backward. Rural development is the need of the hour.

4.2 Agricultural Marketing

Agriculture in India has directly or indirectly continued to be the source of livelihood to majority of the population. Indian agriculture has seen a lot of changes in its structure. India, predominantly with an agricultural economy, has healthy signs of transformation in agriculture and allied activities. India has seen agriculture as a precious tool of economic development as other sectors of production depend on it. Efficient backward and forward integration with agriculture has led to globally competitive production system in terms of cost and quality. Cooperatives seem to be well positioned to coordinate product differentiation at the farm level and to integrate forward into value added processing activities.. Indian agriculture can be balanced and made efficient through proper and better management practices. The present study brings out past and present scenario of agricultural marketing prevailing in India, its challenges and future recommendations. Moreover the opportunities provided by agricultural marketing should be tapped effectively by the marketers.

4.2.1 Introduction

Market-led Extension focuses on enhancement of knowledge, awareness and skills of different stakeholders of the sector on different aspects of marketing aspects of agricultural produce besides those relating to their production. The farmer, after all, has to know what to produce as per the demand, where to sell, when to sell, whom to sell his produce etc. Hence, it is incumbent on the extension functionaries to go beyond seed, soil and fertilizer and also disseminate knowledge on marketing aspects such as grading, standardization, packaging, labelling, storage, transportation, market intelligence, wholesaling, retailing and modern tools of marketing such as contract farming, terminal markets, future markets etc. The farmer has to be empowered to avail himself of the different modes of price discovery mechanism to his advantage. The agricultural extension system in India is production-focused, relegating the marketing issues to the backburner. As market-driven production is the need of the hour, the extension system has got to be made market-led. In order to make the extension system fully market-led, at the outset, focus has to be laid on agricultural marketing extension system and its contents. A typical production-based extension system promotes good agricultural practices by enhancing knowledge, awareness, and skill level of the stakeholders on production aspects such as soil, water, fertilizer, seeds, planting material, agronomical practices etc. On the other hand, agricultural marketing extension has to focus on disseminating knowledge, awareness and skill level of the stakeholders on different marketing aspects such as grading,, standardization, packaging, storage,

transportation, agricultural marketing finance, regulated marketing system, wholesaling, retailing, alternative marketing system etc. In order to strengthen and develop agricultural marketing system in the country, efforts in the area of training and extension have to be made at three levels. At policy level, it is necessary to formulate an effective policy on agricultural marketing under which various components of marketing programmes and activities can be integrated and coordinated. At managerial level, the managerial and technical capabilities of those technical institutions involved in the implementation of the marketing policy need to be improved to enable them to deliver more efficiently and economically. At farm level, marketing extension should assist farmers in improving marketing skills, thereby helping them get remunerative prices for their produce. As the days of the mass production and mass marketing are now being replaced by customer-based or market-driven strategies, an effective marketing extension service is the need of the hour. This has added significance in the light of post-WTO scenario. If the Indian farmers have to withstand the possible onslaught of international competitors, both in domestic as well as overseas markets, marketing extension would be an effective instrument to safeguard farmers' interest through proper education and guidance on regular basis. The marketing extension service to assist small and marginal farmers in solving the problems faced in marketing their produce is, therefore, a sine-qua-non in the free trade environment.

4.2.2 Birth of Market Regulation

The need for regulation of markets arose from the anxiety of the British rulers to make available supplies of pure cotton at reasonable prices to the textile mills in Manchester. The first regulated Karanjia Cotton Market was established as early as in 1886 under Hyderabad Residency Order. The first legislation was the Berar Cotton and Grain Market Act of 1897. The 1897 Act became Model Act for legislation in other parts of the country. The then Bombay Government was first to enact Cotton Market Act in 1927. This was the first law in the country that attempted to regulate markets with a view to evolving fair market practices. In order to overcome the problems of agricultural marketing in India, the Royal Commission on Agriculture in 1928 and Central Banking Enquiry Committee in 1931 recommended establishment of Directorate of Marketing and Inspection under the Ministry of Food and Agriculture. The main Act for market regulation, "Agricultural Produce Market Regulation Act" is implemented by the State Governments. A network of more than 7100 regulated markets and about 28000 Rural Primary Markets services the marketing system of the country; and about 15% of which are also regulated. The objectives of market regulation initially were to ensure correct weighing, prompt payment to the farmers for

their produce and to avoid their exploitation at the hands of middlemen. However, the markets originally meant for protecting the farmers from the clutches of the exploitation by middlemen ended up inhibiting the free play of market forces, pushing the interests of the farmers to the backburner. The increasing focus on liberalization, privatisation and globalisation is both a challenge and an opportunity for our farmers. However, in order to enable our farmers to reap the external opportunities, effective internal reforms in the agricultural marketing system of the country are inescapable.

4.3. □ Regulated Marketing System in India and Reforms

It goes without saying that marketing and production of agricultural produce are inextricably intertwined with each other. In the post-WTO regime, an effective agricultural marketing system is the key driver of the agricultural economy of a country. An effective marketing system aims at ensuring remunerative prices to the producers at cost effective marketing costs and smooth supply of commodities to consumers at reasonable prices. In order to protect the interests of the various stakeholders of the agricultural marketing system of the country, a number of governmental interventions have been taken from time to time. However, the present agricultural marketing system of the country leaves much to be desired. There are many imperfections in the marketing system for agricultural commodities. Some reform measures by the government have already been initiated to address these issues and some are in the pipeline. This chapter includes a description of the traditional marketing system for agricultural commodities and the steps taken by the government from time to time to overcome the defects and to improve the marketing system. Characteristics of Traditional Agricultural Marketing System The problems of agricultural marketing have received the attention of the government for a long time. As early as in 1928, the Royal Commission on Agriculture had pointed out that the then existing system did not meet the requirements of an ideal marketing mechanism. Some of the important characteristics of the traditional marketing system for agricultural commodities have been discussed below: Many of these still exist, though efforts are under way to improve them.

(i) Heavy Village Sales of Agricultural Commodities

A majority of farmers in India sell a large part of their produce in villages resulting in low returns for their produce. There is a difference in the price prevailing at different levels of marketing, i.e., the village, the primary wholesale market, the secondary wholesale, and

retail levels. The extent of village sales varies from area to area, commodity to commodity, and also with the status of the farmer. The village sale is 20 to 60 percent in food-grains, 35 to 80 percent in cash crops and 80 to 90 percent in perishable commodities. This practice is very common even now. The factors responsible for village sales are –

- a) Farmers are indebted to village moneylenders, traders or landlords. They are often forced either to enter into advanced sale contracts or sell the produce to them at low prices.
- b) Many villages are still not connected by roads. Adequate transport means are not available even in villages connected by roads. It is difficult to carry the produce in bullock or camel carts to markets, which are often situated at long distances.
- c) There is only a small quantity of marketable surplus with a majority of the farmers because of the small size of holdings.
- d) Farmers are hard-pressed for money to meet their social and other obligations, and are often forced to sell their produce right in the villages.
- e) Most of the perishable products need to be marketed in the villages because of their low “keeping” quality and the non-availability of quick transport means.
- f) Many farmers disliked city markets mainly because of their lack of knowledge about prevailing market practices, the possibility of theft or robbery in transit and problems faced by them for selling their produce in city markets.
- g) The information on the prices prevailing in the nearby primary and secondary wholesale markets is not readily available to the farmers.

(ii) Post-Harvest Immediate Sales by Farmers

A majority of the cultivators tend to sell their produce immediately after the harvest at low prices prevailing at that time. Because of substantial supplies, Indian markets are glutted in the post-harvest season. Traders often take advantage of this situation. About 60 to 80 percent of the food grains are still marketed in the first quarter of the harvest season.

(iii) Inadequacy of Institutional Marketing Infrastructure and Lack of Producers’ Organizations

(iv) Multiplicity of Market Charges

- (v) Existence of Malpractices and lack of reliable and up-to-date Market Information
- (vii) Low Marketable surplus of a Large Variety of Products
- (viii) Absence of grading and Standardization of Produce
- (ix) Absence of Quick Transport Means
- (x) Strong Associations of Traders and Market Functionaries

State Marketing Departments were set up in the States as counterparts of the Central Marketing Department. The structure of the State Departments varies from State to State, and their status ranges from that of a full-fledged department to a cell under the Agriculture Department. However, all the States now have a marketing department/cell to look after the marketing problems of farmers. With increasing role of agricultural marketing in the economic development of the state and the increasing activity of market regulation, State Agricultural Marketing Boards were set up in States and Union Territories. These State Agricultural Marketing Boards look after the regulation of markets and bring about an effective level of coordination in the functioning of the regulated markets at the State level. The market regulation scheme received momentum after the establishment of State Agricultural Marketing Boards in the State. In some states Agricultural Marketing Departments were merged with boards. However, National Commission on Agriculture in 1976 again recommended establishment of separate Directorate of Agricultural Marketing in every state.

Regulation of Agricultural Marketing

The features like high marketing cost, unauthorized deductions and prevalence of various malpractices prompted regulation of agricultural marketing in different states of the country. Establishment of regulated markets has been able to overcome the problems of traditional marketing system to a great extent. However, these problems still persist in the case of village sales where regulation of markets become necessary.

Definition of Regulated Market

A regulated market aims at ensuring correct weighing of produce, prompt payment to the farmers and avoidance of exploitation of farmers by middlemen. Regulated market is one that aims at the elimination of the unhealthy and unscrupulous practices, reducing marketing costs, and providing facilities to the producer-seller in the market. A legislative

measure designed to regulate marketing of agriculture produce basically focuses on establishment of regulated markets.

Objectives of Regulated Marketing:

- a) To prevent exploitation of farmers by helping them overcome the handicaps in the marketing of their produce.
- b) To make the marketing system effective and efficient so that farmers may get remunerative prices for their produce and the goods are made available to consumers at reasonable cost.
- c) To provide incentive prices to farmers for inducing them to increase the production both in terms of quantity and quality.
- d) To promote an orderly marketing of agricultural produce by improving the infrastructure facilities.

Current agricultural marketing system in India is the outcome of several years of efforts of government policy. The system has undergone several changes during the last 60 years, regarding the increased marketed surplus; growing urbanization and income levels and consequent changes in the pattern of demand for marketing services; increase in linkages with distant and overseas markets; and changes in the policies of government. There are three important aspects of an agricultural marketing system. These are market structure, conduct and performance. In agricultural marketing, government intervention is necessary. The intervention of the government always influences it. An important characteristic of agricultural produce markets in India has been that private trade has continued to dominate the market. Millions of wholesalers and retailers handle the trade in food grains. Apart from traders, processors also play an important role as they also enter in the market as bulk buyers and sellers. Agricultural development continues to remain the most important objective of Indian planning and policy. The experience of agricultural development in India has shown that the existing systems of delivery and marketing of agricultural output have not been efficient in reaching the benefits of technology to all the sections of farmers. The timely, quality and cost-effective delivery of adequate inputs are still a dream, even though there are a few marketing attempts of the corporate sector and the developmental programmes of the state. Also, the farmers are not able to sell their surplus produce properly. There are plenty of distress sales among farmers both in agriculturally developed as well as backward regions. There are temporal variations and fluctuations in the markets

and the producers' share in consumers' money has not been satisfactory, with the exception of a few commodities.

4.4 □ Questions

1. Discuss the major role played by the rural co-operatives in the rural economy of India.
2. What is Agricultural Marketing? What are the reasons behind to regulate rural marketing?

4.5 □ Suggested Readings

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Unit 5 □ Rural Co-operatives and Agricultural Marketing

Structure

- 5.1 Meaning and Concept**
- 5.2 Agriculture and Allied Sector**
- 5.3 Major Products and Yields**
- 5.4 Non-Farm Economy and Rural Development**
- 5.5 Questions**
- 5.6 Suggested Readings**

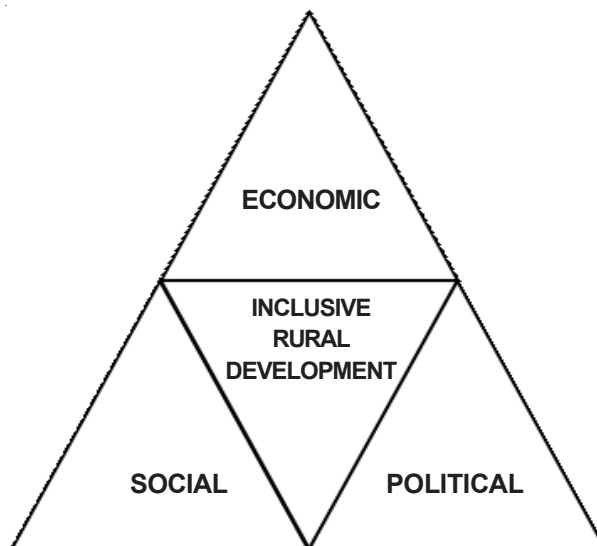
5.1 □ Meaning and Concept

Although policy makers and the development community have widely used the phrase “rural development”, what constitutes rural development seems to have changed significantly over time. The concept of rural development has changed significantly during the last three decades. Until the 1970s, rural development was synonymous with agricultural development and hence focused on increasing agricultural production. This focus seems to have been driven primarily by the interest of industrialization to extract surpluses from the agriculture sector to reinforce industrialization. The establishment of the Millennium Development Goals has significantly reinforced the concerns about non-income poverty. With the paradigm shifts in economic development from “growth” to broadly defined “development”, the concept of rural development has begun to be used in a broader sense. In more recent years increased concerns on the environmental aspects of economic growth have also influenced the changes. Today’s concept of rural development is fundamentally different from that used about three or four decades ago. The concept of rural economic base now encompasses “concerns that go well beyond improvements in growth, income and output. The concern includes an assessment of changes in the quality of life, broadly defined to include improvement in health and nutrition, education, environmentally safe living conditions and reduction in gender and Income inequalities. Today, there seems to be a universal consensus that the ultimate objective of rural development is to improve the quality of life of rural people. This makes it essential to go beyond the income-related

factors such as prices, production, and productivity to a range of non- income factors that influence quality of life and hence inclusiveness of rural development.” Inclusive rural development is more specific concept than the concept of rural development. In broader terms, inclusive rural development is about improving the quality of life of all members of rural society. More specifically, inclusive rural development covers three different but interrelated dimensions.

1. Economic dimension
2. Social dimension
3. Political dimension

Economic dimension encompasses providing both capacity and opportunities for the poor and low-income households in particular who may benefit from the economic growth. Social dimension supports social development of poor and low- Income households, promotes gender equality and women’s empowerment and provides social safety nets for vulnerable groups. Political dimension improves the opportunities for the poor and low-income people in rural areas to effectively and equally participate within the political processes at the village level.



The notion of rural development has been conceived in diverse ways by researchers, ranging from thinking of it as a set of goals and programmes to a well-knit strategy,

approach or even an ideology. There is a widely shared view that its essence should be poverty alleviation and distributive Justice oriented economic transformation.

5.2 □ Agriculture and Allied Sector

The history of **Agriculture in India** dates back to Indus Valley Civilization and even before that in some places of Southern India. India ranks second worldwide in farm outputs. As per 2018, agriculture employed 50% of the Indian work force and contributed 17-18% to country's GDP. In 2016, agriculture and allied sectors like animal husbandry, forestry and fisheries accounted for 15.4% of the GDP (gross domestic product) with about 31% of the workforce in 2014. India ranks first globally with highest net cropped area followed by US and China. The economic contribution of agriculture to India's GDP is steadily declining with the country's broad-based economic growth. Still, agriculture is demographically the broadest economic sector and plays a significant role in the overall socio-economic fabric of India.

India exported \$38 billion worth of agricultural products in 2013, making it the seventh largest agricultural exporter worldwide and the sixth largest net exporter. Most of its agriculture exports serve developing and least developed nations. Indian agricultural/horticultural and processed foods are exported to more than 120 countries, primarily to the Middle East, Southeast Asia, SAARC countries, the European Union and the United States.

As per the 2014 FAO world agriculture statistics India is the world's largest producer of many fresh fruits like banana, mango, guava, papaya, lemon and vegetables like chickpea, okra and milk, major spices like chili pepper, ginger, fibrous crops such as jute, staples such as millets and castor oil seed. India is the second largest producer of wheat and rice, the world's major food staples.

India is currently the world's second largest producer of several dry fruits, agriculture-based textile rawmaterials, roots and tuber crops, pulses, farmed fish, eggs, coconut, sugarcane and numerous vegetables. India is ranked under the world's five largest producers of over 80% of agricultural produce items, including many cash crops such as coffee and cotton, in 2010. India is one of the world's five largest producers of livestock and poultry meat, with one of the fastest growth rates, as of 2011. One report from 2008 claimed that India's population is growing faster than its ability to produce rice and wheat. While other recent studies claim that India can easily feed its growing population, and produce wheat and rice for global exports, if it can reduce food staple spoilage or wastage, improve its infrastructure

and raise its farm productivity like those achieved by other developing countries such as Brazil and China. In fiscal year ending June 2011, with a normal monsoon season, Indian agriculture accomplished an all-time record production of 85.9 million tonnes of wheat, a 6.4% increase from a year earlier. Rice output in India hit a new record at 95.3 million tonnes, a 7% increase from the year earlier. Lentils and many other food staples production also increased year over year. Indian farmers, thus produced about 71 kilograms of wheat and 80 kilograms of rice for every member of Indian population in 2011. The per capita supply of rice every year in India is now higher than the per capita consumption of rice every year in Japan. India exported \$39 billion worth of agricultural products in 2013, making it the seventh largest agricultural exporter worldwide, and the sixth largest net exporter. This represents explosive growth, as in 2004 net exports were about \$5 billion, India is the fastest growing exporter of agricultural products in the last decade, its \$39 billion of net export is more than double the combined exports of the European Union (EU-28).

It has become one of the world's largest supplier of rice, cotton, sugar and wheat. India exported around 2 million metric tonnes of wheat and 2.1 million metric tonnes of rice in 2011 to Africa, Nepal, Bangladesh and other regions around the world.

Aquaculture and catch fishery are amongst the fastest growing industries in India. Between 1990 and 2010, the Indian fish capture harvest doubled, while aquaculture harvest tripled. In 2008, India was the world's sixth largest producer of marine and freshwater capture fisheries and the second largest aquaculture farmed fish producer. India exported 600,000 metric tonnes of fish products to nearly half of the world's countries. Though the available nutritional standard is 100% of the requirement, India lags far behind in terms of quality protein intake at 20 which is to be tackled by making available protein rich food products such as eggs, meat, fish, chicken etc. at affordable prices.

India has shown a steady average nationwide annual increase in the kilograms produced per hectare for some agricultural items, over the last 60 years. These gains have come mainly from India's green revolution, improving road and power generation infrastructure, knowledge of gains and reforms. Despite these recent accomplishments, agriculture has the potential for major productivity and total output gains, because crop yields in India are still just 30% to 60% of the best sustainable crop yields achievable in the farms of developed and other developing countries. Additionally, post-harvest losses due to poor infrastructure and unorganized retail, caused India to experience some of the highest food losses in the world.

In the years since its independence, India has made immense progress towards food security. Indian population has tripled, and food-grain production more than quadrupled. There has been a substantial increase in available food-grain per capita. Before the mid-1960s India relied on imports and food aid to meet domestic requirements. However, two years of severe drought in 1965 and 1966 convinced India to reform its agricultural policy and that they could not rely on foreign aid and imports for food security. India adopted significant policy reforms focused on the goal of food grain self-sufficiency. This ushered in India's Green Revolution. It began with the decision to adopt superior yielding, disease resistant wheat varieties in combination with better farming knowledge to improve productivity. The state of Punjab led India's green revolution and earned the distinction of being the country's bread basket.

The initial increase in production was centred on the irrigated areas of the states of Punjab, Haryana and western Uttar Pradesh. With the farmers and the government officials focusing on farm productivity and knowledge transfer, India's total food grain production soared. A hectare of Indian wheat farm that produced an average of 0.8 tonnes in 1948, produced 4.7 tonnes of wheat in 1975 from the same land. Such rapid growth in farm productivity enabled India to become self-sufficient by the 1970s. It also empowered the smallholder farmers to seek further means to increase food staples produced per hectare. By 2000, Indian farms were adopting wheat varieties capable of yielding 6 tonnes of wheat per hectare.

With agricultural policy success in wheat, India's Green Revolution technology spread to rice. However, since irrigation infrastructure was very poor, Indian farmers innovated with tube-wells, to harvest ground water. When gains from the new technology reached their limits in the states of initial adoption, the technology spread in the 1970s and 1980s to the states of eastern India — Bihar, Odisha and West Bengal. The lasting benefits of the improved seeds and new technology extended principally to the irrigated areas which account for about one-third of the harvested crop area. In the 1980s, Indian agriculture policy shifted to "evolution of a production pattern in line with the demand pattern" leading to a shift in emphasis to other agricultural commodities like oil seed, fruit and vegetables. Farmers began adopting improved methods and technologies in dairying, fisheries and livestock, and meeting the diversified food needs of a growing population.

As with rice, the lasting benefits of improved seeds and improved farming technologies now largely depends on whether India develops infrastructure such as irrigation network, flood control systems, reliable electricity production capacity, all-season rural and urban highways, cold storage to prevent spoilage, modern retail, and competitive buyers of

produce from Indian farmers. This is increasingly the focus of Indian agriculture policy.

India ranks 74 out of 113 major countries in terms of food security index. India's agricultural economy is undergoing structural changes. Between 1970 and 2011, the GDP share of agriculture has fallen from 43% to 16%. This isn't because of reduced importance of agriculture or a consequence of agricultural policy. This is largely because of the rapid economic growth in services, industrial output, and non-agricultural sectors in India between 2000 and 2010.

As of 2011, India had a large and diverse agricultural sector, accounting, on average, for about 16% of GDP and 10% of export earnings. India's arable land area of 159.7 million hectares (394.6 million acres) is the second largest in the world, after the United States. Its gross irrigated crop area of 82.6 million hectares (215.6 million acres) is the largest in the world. India is among the top three global producers of many crops, including wheat, rice, pulses, cotton, peanuts, fruits and vegetables. Worldwide, as of 2011, India had the largest herds of buffalo and cattle, is the largest producer of milk and has one of the largest and fastest growing poultry industries.

5.3 Major Products and Yields

The following table presents the 20 most important agricultural products in India, by economic value, in 2009. Included in the table is the average productivity of India's farms for each produce. For context and comparison, included is the average of the most productive farms in the world and name of country where the most productive farms existed in 2010. The table suggests India has large potential for further accomplishments from productivity increases, in increased agricultural output and agricultural incomes. The Statistics Office of the Food and Agriculture Organization reported that, per final number for 2009, India had grown to become the world's largest producer of the following agricultural products:

- Fresh Fruit
- Lemons and limes
- Buffalo milk, whole, fresh
- Castor oil seeds
- Sunflower seeds
- Sorghum

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- Millet
 - Spices
 - Okra
 - Jute
 - Beeswax
 - Bananas
 - Mangoes, mangosteens, guavas
 - Pulses
 - Indigenous buffalo meat
 - Fruit, tropical
 - Ginger
 - Chick peas
 - Areca nuts
 - Other bastfibres
 - Pigeon peas
 - Papayas
 - Chillies and peppers, dry
 - Anise, badian, fennel, coriander
 - Goat milk, whole, fresh
 - Wheat
 - Rice
 - Fresh vegetables
 - Sugar cane
 - Groundnuts, with shell
 - Lentils
 - Garlic
 - Cauliflowers and broccoli

- Peas, green
- Sesame seed
- Cashew nuts, with shell
- Silk-worm cocoons, reelable
- Cow milk, whole, fresh
- Tea
- Potatoes
- Onions
- Cotton lint
- Cotton seed
- Eggplants (aubergines)
- Nutmeg, mace and cardamoms
- Indigenous goat meat
- Cabbages and other brassicas
- Pumpkins, squash and gourds

In 2009, India was the world's third largest producer of eggs, oranges, coconuts, tomatoes, peas and beans. In addition to growth in total output, agriculture in India has shown an increase in average agricultural output per hectare in last 60 years. The table below presents average farm productivity in India over three farming years for some crops. Improving road and power generation infrastructure, knowledge gains and reforms has allowed India to increase farm productivity between 40% to 500% over 40 years. India's recent accomplishments in crop yields while being impressive, are still just 30% to 60% of the best crop yields achievable in the farms of developed as well as other developing countries. Additionally, despite these gains in farm productivity, losses after harvest due to poor infrastructure and unorganised retail cause India to experience some of the highest food losses in the world.

India and China are competing to establish the world record on rice yields. Yuan Longping of China National Hybrid Rice Research and Development Centre set a world record for rice yield in 2010 at 19 tonnes per hectare in a demonstration plot. In 2011, this record was surpassed by an Indian farmer, Sumant Kumar, with 22.4 tonnes per

hectare in Bihar, also in a demonstration plot. These farmers claim to have employed newly developed rice breeds and system of rice intensification (SRI), a recent innovation in farming. The claimed Chinese and Indian yields have yet to be demonstrated on 7 hectare farm lots and that these are reproducible over two consecutive years on the same farm.

Horticulture

The total production and economic value of horticultural produce, such as fruits, vegetables and nuts has doubled in India over the 10-year period from 2002 to 2012. In 2012, the production from horticulture exceeded grain output for the first time. The total horticulture produce reached 277.4 million metric tonnes in 2013, making India the second largest producer of horticultural products after China. Of this, India in 2013 produced 81 million tonnes of fruits, 162 million tonnes of vegetables, 5.7 million tonnes of spices, 17 million tonnes of nuts and plantation products (cashew, cacao, coconut, etc.), 1 million tonnes of aromatic horticulture produce and 1.7 million tonnes of flowers (7.6 billion cut flowers). During the 2013 fiscal year, India exported horticulture products worth ¹ 14,365 crore (US\$2.1 billion), nearly double the value of its 2010 exports. Along with these farm-level gains, the losses between farm and consumer increased and are estimated to range between 51 and 82 million metric tonnes a year.

Organic Agriculture

Organic agriculture has fed India for centuries and it is again a growing sector in India. Organic production offers clean and green production methods without the use of synthetic fertilisers and pesticides and it achieves a premium price in the market place. India has 6,50,000 organic producers, which is more than any other country. India also has 4 million hectares of land certified as organic wild culture, which is third in the world (after Finland and Zambia). As non-availability of edible biomass is impeding the growth of animal husbandry in India, organic production of protein rich cattle, fish and poultry feed using biogas /methane/natural gas by cultivating *Methyl coccus capsulitis* bacteria with tiny land and water foot print is a solution for ensuring adequate protein rich food to the population. India has seen a huge growth in cooperative societies, mainly in the farming sector, since 1947 when the country gained independence from Britain. The country has networks of cooperatives at the local, regional, state and national levels that assist in agricultural marketing. The commodities that are mostly handled are food grains, jute, cotton, sugar, milk, fruit and nuts.

Problems faced

India lacks cold storage, food packaging as well as safe and efficient rural transport system. This causes one of the world's highest food spoilage rates, particularly during monsoons and other adverse weather conditions. Food travels to the Indian consumer through a slow and inefficient chain of traders. Consumers buy agricultural produce in suburban markets known as 'sabzi mandi' such as one shown or from roadside vendors. Indian agriculture includes a mix of traditional to modern farming techniques. In some parts of India, traditional use of cattle to plough remains in use. Traditional farms have some of the lowest per capita productivities and farmer incomes. Slow agricultural growth is a concern for policymakers as some two-thirds of India's people depend on rural employment for a living. Current agricultural practices are neither economically nor environmentally sustainable and India's yields for many agricultural commodities are low. Poorly maintained irrigation systems and almost universal lack of good extension services are among the factors responsible. Farmers' access to markets is hampered by poor roads, rudimentary market infrastructure, and excessive regulation.

With a population of just over 1.2 billion, India is the world's largest democracy. In the past decade, the country has witnessed accelerated economic growth, emerged as a global player with the world's fourth largest economy in purchasing power parity terms, and made progress towards achieving most of the Millennium Development Goals. India's integration into the global economy has been accompanied by impressive economic growth that has brought significant economic and social benefits to the country. Nevertheless, disparities in income and human development are on the rise. Preliminary estimates suggest that in 2009-10 the combined all India poverty rate was 32 % compared to 37% in 2004-05. Going forward, it will be essential for India to build a productive, competitive, and diversified agricultural sector and facilitate rural, non-farm entrepreneurship and employment. Encouraging policies that promote competition in agricultural marketing will ensure that farmers receive better prices. (*World Bank: "India Country Overview 2011"*)

A 2003 analysis of India's agricultural growth from 1970 to 2001 by the Food and Agriculture Organization identified systemic problems in Indian agriculture. For food staples, the annual growth rate in production during the six-year segments 1970-76, 1976-82, 1982-88, 1988-1994, 1994-2000 were found to be respectively 2.5, 2.5, 3.0, 2.6, and 1.8% per annum. Corresponding analyses for the index of total agricultural production show a similar pattern, with the growth rate for 1994-2000 attaining only 1.5% per annum.

Infrastructure

India has very poor rural roads affecting timely supply of inputs and timely transfer of outputs from Indian farms. Irrigation systems are inadequate, leading to crop failures in some parts of the country because of lack of water. In other areas regional floods, poor seed quality and inefficient farming practices, lack of cold storage and harvest spoilage cause over 30% of farmer's produce going to waste, lack of organised retail and competing buyers thereby limiting Indian farmer's ability to sell the surplus and commercial crops.

The Indian farmer receives just 10% to 23% of the price the Indian consumer pays for exactly the same produce, the difference going to losses, inefficiencies and middlemen. Farmers in developed economies of Europe and the United States receive 64% to 81%.

Productivity

Although India has attained self-sufficiency in food staples, the productivity of its farms is below that of Brazil, the United States, France and other nations. Indian wheat farms, for example, produce about a third of the wheat per hectare per year compared to farms in France. Rice productivity in India was less than half that of China. Another staples productivity in India is similarly low. Indian total factor productivity growth remains below 2% per annum; in contrast, China's total factor productivity growths is about 6% per annum, even though China also has smallholding farmers. Several studies suggest India could eradicate its hunger and malnutrition and be a major source of food for the world by achieving productivity comparable with other countries. Crop yields vary significantly between Indian states. Some states produce two to three times more grain per acre than others.

The traditional regions of high agricultural productivity in India are the north west (Punjab, Haryana and Western Uttar Pradesh), coastal districts on both coasts, West Bengal and Tamil Nadu. In recent years, the states of Madhya Pradesh, Jharkhand, Chhattisgarh in central India and Gujarat in the west have shown rapid agricultural growth. The table compares the state-wide average yields for a few major agricultural crops in India, for 2001-2002.

Crop yields for some farms in India are within 90% of the best achieved yields by farms in developed countries such as the United States and in European Union. No single state of India is best in every crop. Tamil Nadu achieved highest yields in rice and sugarcane, Haryana in wheat and coarse grains, Karnataka in cotton, Bihar in pulses, while other states do well in horticulture, aquaculture, flower and fruit plantations. These differences in agricultural productivity are a function of local infrastructure, soil quality, micro-climates,

local resources, farmer knowledge and innovations. The Indian food distribution system is highly inefficient. Movement of agricultural produce is heavily regulated, with inter-state and even inter-district restrictions on marketing and movement of agricultural goods. One study suggests Indian agricultural policy should best focus on improving rural infrastructure primarily in the form of irrigation and flood control infrastructure, knowledge transfer of better yielding and more disease resistant seeds. Additionally, cold storage, hygienic food packaging and efficient modern retail to reduce waste can improve output and rural incomes.

The low productivity in India is a result of the following factors:

- The average size of land holdings is very small (less than 2 hectares) and is subject to fragmentation due to land ceiling acts, and in some cases, family disputes. Such small holdings are often over-manned, resulting in disguised unemployment and low productivity of labour.
- Adoption of modern agricultural practices and use of technology is inadequate in comparison with Green Revolution methods and technologies, hampered by ignorance of such practices, high costs and impracticality in the case of small land holdings.
- Illiteracy, general socio-economic backwardness, slow progress in implementing land reforms and inadequate or inefficient finance and marketing services for farm produce.
- Irrigation facilities are inadequate, as revealed by the fact that only 52.6% of the land was irrigated in 2003–04, which result in farmers still being dependent on rainfall, specifically the monsoon season. A good monsoon results in a robust growth for the economy, while a poor monsoon leads to a sluggish growth.

5.4 □ Non-Farm Economy and Rural Development

Introduction :

It is a universally accepted fact that the agricultural sector is, by itself, incapable of creating additional opportunities of gainful employment in the wake of increasing population. As a result, the impetus for achieving sustained development in rural areas has to pivot around expanding the base of non-farm activities. If such a comprehensive planning approach can be evolved it could provide the solution to the problems of rural areas such as poverty, unemployment and out-migration of the rural work force. The significance of the non-farm sector is even more pronounced in the agriculturally backward and low productivity regions

such as the hill districts of Uttaranchal. It is important to go with the objective of examining the structure, growth, development potentials and the various problems which exists in the functioning of non-farm activities. It is important to investigate the possibilities and measures which need to be initiated for developing the non-farm activities for achieving employment and attaining a better quality of life for the people residing in the rural areas of India. It is a universally accepted fact that the agricultural sector is, by itself, incapable of creating additional opportunities of gainful employment in the wake of increasing population. As a result, the impetus for achieving sustained development in rural areas has to pivot around expanding the base of non-farm activities. If such a comprehensive planning approach can be evolved it could provide the solution to the problems of rural areas such as poverty, unemployment and out-migration of the rural work force. The significance of the non-farm sector is even more pronounced in the agriculturally backward and low productivity regions in India.

Structure and Growth :

It reveals those manufacturing activities, both traditional and non-traditional, form a major part of the non-farm sector in the rural economy in general and the high altitude areas in particular. The manufacturing enterprises found in high altitude areas of Himalayas and middle altitude areas of plateau region are black smithy, basket and mat making, rope making and woollen enterprises and they are based on locally available raw materials.

In the low areas activities such as carpentry, flour milling, tailoring, repairing and servicing units are dominant. However, over the years manufacturing activities in general and traditional household-based activities in particular, have been declining. On the other hand, non-farm activities such as trading, service and transportation have been developing over the years and that too in the rural areas in particular.

A major factor affecting the decline in the growth of manufacturing activities is the lack of interest among the younger generation in these activities since they generate low levels of income. The other factor responsible for their plight is the shortages in the locally available raw materials. It was found that the establishment of rural non-farm enterprises in general, and manufacturing activities in particular, require very low levels of capital investment. The average capital investment in these activities works out to be around Rs.4550 per enterprise. In the case of the service sector it is around Rs.6150 and Rs.17,200 in trading and commercial activities. The highest investment of Rs.3.20 lakhs per unit was found in the transport sector. The turnover of these enterprises has a direct relationship with

the level of investment made in any specific enterprise. Consequently households engaged in the transport sector have the maximum turnover.

A very little contribution of various rural development programmes, especially rural self employment oriented schemes has been visualized in motivating a little over 4 per cent of the households for establishing different non-farm activities through providing financial assistances in the form of subsidy cum loan facilities. Though, in real terms, around 15 per cent of the non-farm households were facilitated through providing financial assistance from different Government Departments, financial institutions and banks to set up their industrial enterprises. Also a little over of 3 per cent of the family members of the non-farm households had availed the vocational training for establishing non-farm activities.

Employment Structure :

Agriculture and its allied activities employ a major chunk of the total labour force in the different districts of the state. However, the significance of the non-farm sector, as a potential source of employment generation, has been increasing over the years. In fact, the shift of employment from farm to non-farm sector is quite evident. The share of employment in the farm sector was as high as around 75 per cent during 1971. By 1991 it had declined to around 65.5 per cent. Consequently, the corresponding share of non-farm employment had registered an increase from around 25 to 35 per cent between 1971 and 1991.

Male workforce dominates the non-farm sector employment. Out of the total male workers their share in non-farm activities went up from around 37 per cent to 50 per cent between 1971 and 1991. In the case of females, on the other hand, the corresponding increase was from just below 4 per cent in 1971 to around 7 per cent in 1991. However, over the years, the concentration of women workforce has been increasing at much faster rate than the case of their male counterpart in non-farm employment. In absolute terms it is found that employment has been going up in both farms as well as non-farm activities. However, the growth is faster in the non-farm activities. However, the rate of growth is faster in the non-farm sector and this fact confirms the limitation of the farm sector to be able to consistently absorb the ever-increasing workforce. If we classify the workers in the non-farm sector among different activities, the major concentration is found in the service sector and is followed by the manufacturing sector.

Participating Households and Factors Affecting Expansion :

The growth of the non-farm sector has been positively influenced by access to locally available raw materials, traditionally developed means of production, lack of employment

opportunities in farm activities, improvements in infrastructure facilities such as roads and transport network etc. While the non-farm sector has benefited in general the sector to have been emitted most is the manufacturing sector in the rural backward areas. Road development has prompted people to move to the nearby urban locations for better paid jobs. The development of roads has also witnessed a shift in activities from traditional enterprises to the relatively higher earning activities such as trading, transport, tailoring, services and repairing etc. The traditional manufacturing activities in rural areas have also been adversely affected by deforestation as well as degradation of natural resources. In fact, certain local resource based units have closed down completely.

The average size of the household engaged in the non-farm activities was found to be relatively higher as compared to those engaged in farm activities. Even the work participation rate in non-farm households is higher as compared to farm households. It is also observed that higher the size of the farm, lower is the household participation in non-farm activities. The non-farm sector, particularly manufacturing activities, has been playing an important role in the process of overall development by providing opportunities of employment to both skilled and unskilled workers. As a result of these employment opportunities the levels of household income have increased. Despite having a lower size of holdings, the non-farm households are better off economically than the farming households. Taking all the three locations together the average per capita income among non-farm households worked out to be around Rs.4200 while the same was Rs.3090 among farming households. In the case of non-farm households the income generated from non-farm activities was as high as 77 per cent.

Structure of Rural Industries :

The existing rural industrial enterprises which constitute the major part of the nonfarm sector comprise of both traditional and non-traditional activities. Activities such as blacksmith, basket making, rope making and wool-based activities thrive on locally available raw materials and constitute the traditional activities. As against these tailoring, comb making, iron and steel works, carpentry, flour milling, service and repair units form the non-traditional activities. In the case of the traditional activities woollen industry has been in the hands of backward households while the others are dominated by other backward households. For example, in basket making the average value of production is around Rs.6830 while in the case of a flourmill it is nearly Rs.23,500. Over the years the efficiency of different rural industrial enterprises, as seen in terms of their productivity level and contribution to household income, have shown a positive change. However, the extent of change is higher among non-traditional units as compared to traditional units. Even then, one must keep in mind the

fact that some of these traditionally manufactured items can be developed effectively if a proper market can be identified for them.

Constraints and Perspectives of Development :

The two important factors which have contributed towards the unsatisfactory growth of industrial activities in different geographical locations are the scarcity of locally available raw materials and the inadequate development of an effective marketing network for selling the products of these units. Some of the other factors are outdated techniques of production, decline in local demand, lack of diversification and low levels of production. The households engaged in these activities are aware of their problems and limitations and are looking forward to some assistance from the government since as many as 61 per cent are willing to diversify their products, adopt new techniques and every go in for production of new goods altogether.

Policy Recommendations :

Since the potential of agricultural development in the rural areas is constrained because of factors like limited availability of arable land, problems of providing irrigation, small and fragmented holdings, terraced fields which limit the scope of mechanization, even increasing pressure of the growing population etc, the only recourse is to develop the non-farm sector keeping in mind environmental considerations, needs of the people, availability of resources, traditional crafts and the skills of the local people. The non-farm sector holds the key to the problems of unemployment, poverty and sustained development. In fact, various non-farm activities already exist in the hills and some of these have been traditional activities of rural households for several generations. However, they have not been given due weightage in the past and so not much efforts were made to strengthen and widen the base of these activities.

- (i) If the non-farm sector is to be developed effectively then a major role in achieving this objective can be achieved through the development of the road transport. The development of roads would open up avenues for the marketing of goods and services produced by the rural enterprises on one hand and for the procurement of different raw materials for the traditional as well as non-traditional units on the other. Thus the road network would provide a chain of forward and backward linkages and this will facilitate the development of the sector.
- (ii) Since the farm sector is very important and even in 1991 nearly 64.5 per cent of the workforce was engaged in this sector, it is equally important to give due weightage to the development of this sector as well. Therefore, it will be

appropriate to introduce an integrated approach for the development of the farm and non-farm sectors by developing common basic necessities and infrastructure facilities thereby ensuring development of both these sectors simultaneously. The agricultural sector can be suitably diversified to provide the necessary inputs for certain identified agro-based industries.

- (iii) The focus of rural development programmes should be aimed at promoting self-employment opportunities rather than wage-paid casual employment. The government can identify non-farm activities for different areas keeping in mind the comparative advantage which a specific area enjoys. The rural people can then be made aware of these activities and government can chalk out suitable schemes for providing technical and financial assistance for setting up such units. Some of the activities which can be promoted for development are: - diversified farm products, fruits, off-season vegetables, tea, honey, milk, meat, wool and woollen products, - nature and resources based products herbs and medicines, furniture and wooden products, minor forest produce like bamboo and rattan and natural fibre base products. Activities like tourism and adventure sports, hydropower also be developed: handicrafts which are made by skilled men and women with the help of locally available raw materials.
- (iv) The land areas under natural forests cover as well as the net cultivated land have been declining over all. It has given rise to increases in barren and cultivable waste, permanent pastures and grazing land, and fallow land. These categories of lands taken together account for a higher area than the total arable land. The rural people must therefore be encouraged by the government to put this land to optional use as far as possible by introducing afforestation programmes whereby high value commercial plants, trees and groves are planted. In time to come these plants will provide the resource base for various rural enterprises. The present problem related to scarcity of locally available raw materials can thus be dealt with quite effectively. To meet the ongoing crisis of shortage of raw materials the state government can step in and purchase such raw materials from area where there is a surplus and transfer the same to areas of scarcity.
- (v) It is equally important to upgrade the traditional techniques of production which are presently being employed by the rural people. This will provide the much-needed improvements in the productive efficiency of rural enterprises. This will not only lead to increase in output and improvement in the quality of the output itself. Once the quality of goods improves and total production also goes up these goods may be able to find a market in the urban Centres as well. In any

case they will provide to be an attraction to the tourists once the tourism sector is properly developed.

- (vi) Last but not least, introduction of additional goods, especially market oriented articles in the production system and widening marketing opportunities for the products through establishing co-operative marketing societies in and around of the areas where different rural industries are fairly largely concentrated and the sales counters/shops in nearby towns tourist centres and large cities outside state are also some important suggestive measures in favour of developing rural industrial activities in the state.

5.5 □ Questions

1. Identify various rural economic bases.
2. What do you mean by agriculture and allied sectors ? Give examples.
3. What are non-farm activities.

5.6 □ Suggested Readings

- “The Great Gene Robbery” by Claude Alvares
- *Sharma, Shailendra D. (1999), Development and Democracy in India, Lynne Rienner Publishers, pp. 125-136*
- Agarwal, Ankit (2011), “Theory of Optimum Utilisation of Resources in agriculture during the Gupta Period”, *History Today* 12, New Delhi

Unit 6 □ **Area Based approach to Rural Development**

Structure

- 6.1 Area Based Rural Development Approach**
- 6.2 Rural Development Approaches in India**
- 6.3 Drought Prone Area Programme**
- 6.4 Pradhan Mantri Gram Sadak Yojana**
 - 6.4.1. Programme Objectives**
- 6.5 Questions**
- 6.6 Suggested Reading**

6.1 □ **Area Based Rural Development Approach**

The term ‘rural development’ is a subset of the broader term development. The term rural development connotes overall development of rural areas with a view to improve the quality of life of the rural poor. In this sense, it is a comprehensive and multi-dimensional concept, encompassing the development of agriculture and allied activities, village and cottage industries including crafts, socio-economic infrastructure, community services and facilities, and above all, the human resource development in rural areas. As a phenomenon, rural development is an end result of transactions between various physical, technological, economic, socio-cultural and institutional factors. As a strategy, it is designed to improve the economic and social wellbeing of the specific group of people- ‘the rural poor’. As a discipline, it is multi-disciplinary in nature, representing an intersection of agricultural, social, behavioural, engineering and management sciences.

Rural development, as such, is nothing new to the third world countries. Many developing countries have been practicing or promoting rural development for a number of years and many of them have achieved significant success in their efforts. However, rural development has been attracting since long and special importance and attention is being given by the planners. Alongside, there has been considerable discussion of the need for and nature of shift in emphasis and approach called for in rural development in keeping with the objective of overall development policy for speedy alleviation of poverty. The concept of ‘rural development’ was born in the context of agriculture, and it remained, for a long time

coterminous with agricultural development in India. The Royal Commission on Agriculture (1928), for instance provides this kind of interpretation to 'rural development'. To quote from the report of the Commission: "We cannot too strongly state our conviction that the directorship of agricultural advances must in a very great degree depend upon the suitability of the officer appointed". Nearly half a century later, another committee viewed rural development in more or less similar way. The Planning Commission's Task Force on Integrated Rural Development observed in 1972: "After careful consideration, we have belatedly decided to take what might be considered rather restricted view of the expression 'rural development'. We have chosen to equate it with agricultural development in the widest sense so as to embrace besides crop, husbandry, and all the allied activities".

Since the seventies, the concept of rural development has undergone a change, and has become more comprehensive. The concept of rural development, as enunciated by the World Bank, marks such a change. The World Bank defines "*rural development as a strategy designed to improve the economic and social life of a specific group of people - The rural poor. Rural development involves extending the benefits of development to the poorest among those who seek livelihood in the rural areas. The group includes small-scale farmers, tenants and the land less.*" To quote from the World Bank Sector Policy Paper on Rural Development (1975): "A national programme of rural development should include a mix of activities including projects to raise agricultural output, create new employment, improve health and education, expand communications and improve housing".

6.2 □ Rural Development Approaches in India

India has gained vast experience in the implementation of rural development programmes. The approaches to rural development and area planning have also changed over a period of time¹⁰. In the light of the experience gained by following a particular approach, a new approach has been evolved. The shift in emphasis is intended not only to accelerate the pace of growth in the rural sector but to ensure social justice by minimizing wastage and leakages. India has a very long history of experimenting with various approaches to rural development.

The **First Five Year Plan** (1950-51 to 1955-56), adopted the *Harrod-Domar model* of capital accumulation and saving mobilization as its methodological approach towards planning. Under this approach, the process of economic development must start from the villages. In order to implement this ideology, the Community Development Programme

(CDP) was conceived. The National Extension Service, started in 1952 by the Government of India with the establishment of 55 Community Development Programmes, was extended to cover the entire country by a network of 5,265 Community Development Blocks¹⁵. The block administration was created as a centre of rural development activities. This programme failed, as blocks were quite big and left the weaker sections untouched. It was opined that the resources available for the programme were too meager compared with the need and spread.

The **Second Five Year Plan** (1955-56 to 1960-61) was based on *Feldman - Mahalanobis model* of sectoral growth. This strategy emphasized investment in heavy industries to achieve industrialization, which was assumed to be the basic condition for rapid economic development. A good deal of reliance was placed on cottage and small industries with the aim of reducing rural underemployment, unemployment. As against this background, no important specialized rural development programme was launched during the second plan period¹⁶. However, steps were taken to strengthen the ongoing Community Development Programme. In this respect, the need for viable institutional base was felt and the Panchayat Raj System was introduced during the plan period. In addition to this, specialized rural economic development programmes like 'Intensive Agricultural District Programme' (IADP), 'Khadi and Village Industries programme' (KVI), Multi purpose Tribal Development, and Village Housing Projects/Schemes were also introduced in rural areas of the country.

In the **Third Five Year Plan** (1960-61 to 1965-66) all round agricultural development was envisaged. Increased agricultural production in the farm sector and activities allied to agriculture received top most priority during the plan period. The important agricultural development programmes bringing green revolution strategy like Intensive Agricultural Area Development Programme (IADP) and High Yield Varieties Programme (HYVP) were implemented in the country. It is observed that, the benefits accrued only to the rich and progressive peasants. Once again, landless and agricultural labourers were left untouched.

During the **Annual Plans** (1966-1969), few more programmes were implemented to achieve all round development. Important programmes like 'Farmers Training and Education Programme', 'Well construction Programme', 'Rural works programme' (RWP), 'Tribal Development Block', 'Rural Manpower Programme', 'Composite Programme for Women and Primary School Children' were introduced¹⁸.

The **Fourth Five Year Plan** (1969-74), in the name of "Growth with Social Justice" initiated efforts towards uplifting the vulnerable sections of rural society. The publication of

Dandekar and Rath study¹⁹ also had a material impact on the framework. In this connection a number of 'Area Development Oriented' and 'Target Oriented' programmes were introduced. Programmes such as Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labourers Development Agency (MFAL), Drought Prone Area Programme (DPAP), Tribal Area Development Programme (TADP) were introduced as the important rural development programmes. These rural development programmes did succeed, but only in limited areas and numbers.

This plan paved the path for a number of rural development and poverty alleviation programmes in the country. These programmes were implemented through the existing administrative apparatus at block and village levels. Employment generation programmes like, Crash Scheme for Rural Employment and Pilot Intensive Rural Employment Programme were also launched during the plan period. The Fifth Five Year Plan (1974-79), based on the Inter-sectoral transactions model of Leontief, which has emphasized the strengthening the inter-sectoral linkages for balanced growth in sectors²¹. The most important objectives of the Fifth Plan period were; i) removal of poverty and ii) achievement of self-reliance. In order to attain these objectives, the (MNP), Food for work programme (FFW) were introduced during the plan period. In addition to this, in order to promote small scale, village and cottage industries, the 'District Industrial Centres' (DICs) were set up in all the districts of the country. The 20-point Economic programme was also introduced during the said plan period.

The **Sixth Five Year Plan** (1980-85), aimed at the removal of poverty, growth, modernization, self-reliance and social justice. In order to attain all-round development in rural areas, one single integrated programme called 'Integrated Rural Development Programme' (IRDP) was conceived. The programme has been in operation since 1978-79 and has been made the centrepiece of the anti-poverty strategy in the Sixth Five Year Plan. IRDP is regarded as a multi-level, multi-sector and multi-section concept of rural development. As a multi-level concept, it encompasses rural development at various levels such as viable cluster of village communities, districts and blocks. As a multi-sector concept, it embraces development in various sectors and sub-sectors of the rural areas such as agriculture, industry, education, health and transportation etc. As a multi-section concept, it encompasses socio-economic development of various sections and sub-sections of rural population such as small farmers, marginal farmers, landless and agricultural labourers, artisans, Scheduled Castes and Scheduled Tribes. Besides IRDP, employment generation programmes like, National Rural Employment Programme (NREP), Rural Land less

Employment Guarantee Programme (RLEGP), Economic Rehabilitation of Rural Poor (ERRP), Training of Rural Youth for Self-Employment (TRYSEM), Self-Employment for the Educated Unemployed Youth (SEEVY), Development of Women and Children in Rural Areas (DWCRA) etc., were also introduced during the said plan period.

The important objectives of the **Seventh Five Year Plan** (1985-90) were; building an independent self-reliant economy, establishment of social system based on equity and justice, reduction of regional imbalance and programmes, like, Command Area Development Programme (CADP), Hill Area Development programmes (HADP), Minimum Needs Programme adoption of advanced technologies. The plan intended to continue the rural development programmes launched during the Sixth Five Year Plan. In addition to this, some rural infrastructural development programmes like, Indira Awas Yojan (IAY), Integrated Rural Energy Planning Programme (IREP), Jawahar Rozgar Yojana (JRY), and Million Wells Scheme (MWS) etc; were implemented as the special rural development programmes during the plan period.

In the **Eighth Five Year Plan** (1992-97), generation of adequate employment opportunities, universalisation of elementary education, provision of safe drinking water and primary health care facilities, and strengthening the infrastructures etc; were the important objectives. In order to strengthen the earlier employment generation programmes the new and culmination programmes like, Intensified Jawahar Rozgar Yojana (IJRY), Employment Assurance Scheme (EAS), Operation Black Board (OBB), and District Primary Education Programme (DPEP) were introduced.

The **Ninth Five Year Plan** (1997-2002), aimed at generating employment opportunities in the secondary sector, all-round development of agricultural sector, strengthening the rural economy through the development of agro-based industries, small-scale village and cottage industries and elimination of poverty. As against these objectives, the programmes for self-employment, and supplementary wage employment along with other programmes were intended to continue during the Ninth Plan with some modifications. These important antipoverty programmes include the IRDP, TRYSEM, JRY, IAY, IJRY, DPAP and EAS etc. The IRDP, DWCRA, TRYSEM, MWS were in operation till the end of 1998-99. It was felt that, this fragmented approach with a multiplicity of schemes was not able to focus on the needs of the rural poor in a coherent manner. Hence these schemes were amalgamated by the Government of India and merged into a single new scheme called Swamajyanthi Gram Swarajgar Yojana (SGSY).

A more specific limited-purpose approach was considered to be the way out.

Growth Oriented Strategy

This is based on the philosophy that rural people, like any other people, are rational decision makers, who, when given adequate opportunity and a proper environment, will try to maximize their incomes. The critical assumption of this strategy is that the benefits of increased production will gradually 'trickle down' to the poor. The regulation and coordination of the activities of the private and public agencies is primarily through market mechanisms. This paradigm formed the basis of the predominant agricultural development strategy of the 1960s, when programmes like the Intensive Agriculture District Programme (IADP), the Intensive Cattle Development Programme (ICDP), the High Yielding Varieties Programme (HYVP), were launched. This strategy led to 'Green Revolution' in India. But, this approach helped only the richer farmers in the rural areas, so its utility was limited and the green revolution failed to bring any greenery to the rural poor who continued to remain pale.

Target Group Strategy

In this approach, a particular group is taken up for studies and plan priorities are accordingly modified. Recognizing that the small farmers/marginal farmers and landless agricultural labourer's problems are different to those of the bigger ones, separate programmes like the SFDA/MFAL were started for their development. The Antyodaya Schemes (betterment of the last in line) is a target approach. This approach produced a client-oriented design and the ultimate goal is to transfer all the responsibilities of planning and development to the clientele themselves.

Area Development Strategy

Under this strategy, emphasis is laid on the development of the backward regions. The area development approach presumes that the growth centres have an even geographical spread effect and that the benefits of development percolate to spread effect and that the benefits of development percolate to the lower levels over a period of time. Under this strategy, a pinpointed area is taken for development. A backward area is identified for concentrated efforts, such as Drought Prone Area Programme (DPAP), Tribal Area Development Programme (TADP), Command Area Development Programme (CADP), Hill Area Development Programme etc, which comes under this approach. This approach has three major potential dangers:

1. The schemes may concentrate a disproportionate share of the resources on providing benefits to a group that is relatively small in relation to the overall size of the national target group.

2. The schemes tend to suffer from a programme design that is too ambitious and complex, calling for exceptional leadership that cannot always be made available on a sustained basis. There may be distorted priorities in the allocation of resources among sectors. The success of this approach depends upon the removal of these three basic constraints.

Spatial Planning Strategy

The need for appropriately locating all the special programmes in their respective fields, the induction of production plans, the full employment schemes and the supply of basic needs of the rural population, all demand that the plan formulation and implementation strategy should be rural oriented. In the Fifth Plan, multi level planning was very much emphasized and it was argued that since more intimate, precise and detailed knowledge about physico-geographical, techno-economic, socio-political and organizational administrative conditions is available for planning activities which have strong local foci is more fruitfully undertaken at the district level, therefore, under this approach, progress was too slow, owing to a number of other factors affecting the national plan formulation . The paucity of the techniques and the weakness in conceptualizing area-level-improvement in the national context, led to the compilation of all the visualized needs as a district plan. Generally, the attempts ended up in a desegregation of the state plan allocation district-wise and department-wise. Now, block plans are advocated not as the best for rural development unless all the programmes are related to a spatial level and the projects included as a part of the block plan, a well-meaning and well synchronized rural plan of action will become difficult. The approach was to bring under close action strategies relevant to the acceleration of integrated area development around potential growth centers but the scheme was not pursued beyond the pilot stage. Spatial planning in India, is at the cross roads and the efforts made so far can at best be said to be half-hearted, sporadic and often self-defeating.

Integrated or Holistic Strategy

It has been realized that development should be an integrated one. This is possible when “sectoral development programmes, human resources development programmes, social welfare schemes and infrastructural development programmes” are brought within the framework of a prospective plan for implementation, where each programme reinforces the other through linkages. Integrated Strategy combines all the positive features of the earlier strategies, and is designed to simultaneously achieve the goals of growth, welfare, equity, and community participation. This paradigm takes a very comprehensive but integrated view of the basic problems of poverty, unemployment and inequality, and seeks to address

the physical, economic, technological, social, motivational, organizational and political bases of these problems. The multiple goals of this strategy are sought to be achieved by building the capacity of the community to involve itself in development in partnership with the government. The anti-poverty programmes launched in India in the 1970s, particularly the IRD programme, National Rural Employment Programme and Training of Rural Youth for Self-Employment were intended to follow this paradigm. It has been rightly observed by John.P.Lewis: “A serviceable rural development programme in India must deal with the several aspects of the rural economy in an integrated fashion. An isolated agricultural development effort unrelated and unsupported by other kinds of rural policies would be doomed to failure almost surely” 34. On account of IRD programmes, the number of persons living below the poverty line has been considerably reduced; still, however, much remains to be done for these poverty-stricken people.

Participatory Strategy

During the last two decades several new approaches like ‘top-down planning’, ‘planning from below’, ‘bottom up planning’, ‘micro level planning’, and ‘multi-level planning’ have been thought of in the context of involving the people in every phase of development. In the current plan (Xth Five Year Plan), the government has devised participatory strategy to promote rural development. Provision has been made to expand economic and social opportunity for individuals and groups by encouraging greater participation in decision making. Right now we have the ‘Swamajayanthi Gram Swarozgar Yojana’, which has replaced the earlier programmes like IRDP, TRYSEM, etc. It is a single self-employment programme for the rural poor.

The various programmes and strategies that have been examined by the experts confirm that no single package or formula is sufficient for effective rural development. Mere extension of approaches and strategies which are far from reality would not serve the purpose and a major re-thinking is required to develop rural India. The entire strategy calls for adaptation, modification, and experimentation, depending upon the exigencies of the situation in our country.

6.3 □ Drought Prone Area Programme

Inadequate and erratic rainfall was the main cause of drought and, therefore, the Drought Prone Areas were delineated on the basis of rainfall data and percentage of irrigated area to the net cropped area. The recurrence of drought had adverse effects on national resources resulting in degradation of environment. In view of this, the erstwhile

Rural Works Programme of 1971-72 was re-designated as the DPAP during the Fourth Five Year Plan (1969-74). It was launched in 1973-74 with 50 percent central allocation. At the instance of Planning commission, the Programme Evaluation Organisation undertook the study to examine the extent of drought proofing achieved, the adoption of micro-watershed approach and the existing arrangements for monitoring and evaluation of the programme.

The Drought Prone Areas Programme (DPAP) and the Desert Development Programme (DDP) have been designed to restore ecological balance through soil and moisture conservation on watershed basis within the framework of area development plans. In practice, however, these Programmes have been implemented in a fragmented manner by different departments through rigid guidelines without any well-designed plans prepared on watershed basis by involving the inhabitants'. Except in a few places, in most of the Programme areas the achievements have been dismal. Ecological degradation has been proceeding unabated in these areas with reduced forest cover, receding water table and shortage of drinking water, fodder and fuel-wood. Clearly, these Programmes have failed to neutralise the adverse impact of the overall processes of degradation on account of increased pressures on the fragile eco-systems from growing population, poverty and affluence. Inadequate attention to the development of infrastructure for generating income-earning opportunities by using indigenous resources and skills and the heavy subsidization of electricity resulting in pumping of water at a rate higher than the rate of recharge have also contributed significantly to the degradation of environment.

Substantial areas of our country periodically experience droughts leading to considerable loss of agricultural production and livestock wealth, besides causing misery to people inhabiting these areas. Large sums have been spent by the Government for providing relief after the occurrence of droughts. But, such expenditure has not helped solve the basic problem of increasing the productivity of these areas by conserving soil and moisture and thereby reducing the impact of the severity of the droughts to the human and cattle population. Ecological degradation on account of denudation of forests and excessive grazing has resulted in soil erosion and decline in the productivity of the land. Because of the increase in population, both human and cattle, even the marginal lands unsuitable for cultivation have been brought under the plough. Mitigation of distress caused by droughts were mainly restricted to adhoc relief works to create employment for increasing the purchasing power of the people which provided some immediate relief. Systematic efforts at long-term ameliorative measures to tackle these problems of drought started only after planning for economic development was launched in the country.

The first step towards a systematic effort to tackle the problem of drought and desertification was the establishment of a Research Centre at Jodhpur in 1952 to carry out research on certain core needs of desert areas such as sand-dune stabilisation, shelter-belt plantation, afforestation etc. In 1959, the entire responsibility for Research on arid areas was entrusted to the Centre which was then designated as Central Arid Zone Research Institute(CAZRI). During the Second and Third Five Year Plans, the problem of drought-affected areas was mainly sought to be solved by launching Dry Farming Projects, which spread over a few areas with emphasis on moisture and water conservation measures. The origin of the Drought Prone Areas Programme can be traced to the Rural Works Programme launched in 1970-71 with the object of creating assets designed to reduce the severity of drought in affected areas. The Programme spelt out long-term strategy in the context of the conditions and potentials of the drought prone districts. In all, 54 districts in the country together with parts of another 18 districts contiguous to them were identified as drought-prone for purposes of the Programme. The Programme covered 12% of the country's population and nearly one-fifth of the area in the country. Labour-intensive schemes such as medium and minor irrigation, road construction, soil conservation and afforestation were taken up under this Programme. The Mid-Term Appraisal of the Fourth Plan redesignated the Programme as the Drought Prone Areas Programme.

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redesignated the Programme as the Drought Prone Areas Programme. Instead of beneficiary-oriented schemes, the Task Force recommended the provision of subsidy on predominantly area development schemes irrespective of the size of the holding and for schemes involving community participation such as farm forestry, water harvesting etc. The Task Force, however, suggested a general rate of subsidy, the larger holdings getting somewhat less than the smaller ones. For income generating schemes such as minor irrigation and land development, the Task Force recommended assistance to be limited to small and marginal farmers. Inter-sectoral priorities were also laid down.

The main thrust of the Programmes in the successive Plans continued to be income generating and infrastructure oriented schemes and the scope of the activities taken up under the Programmes became sufficiently wide to cover expenditures on staff and establishment, feed mixing plants, liquid nitrogen plants, veterinary hospitals and dispensaries, construction of road for transportation of milk, cross-breeding programmes, establishment of livestock and poultry farms', silk rearing units, ground water survey, purchase of rigs etc. In the process, it was observed that the Programmes deviated considerably from the avowed objective of ecologically integrated development of drought-prone and desert areas through drought-proofing and control of desertification.

The area treated under DPAP so far comes to about 5 million hectares which constitutes only about 10% of the geographical area of the blocks selected for DPAP. The area treated under DDP comes to only about 0.4 million hectares 'which accounts for only about 1 percent of the total area in the blocks selected for DDP. Although it would be necessary to cover only a part of the area in the selected blocks for treatment under the Programmes, it is reasonable to conclude that a very large part of the eligible area still remains uncovered by the Programmes. It becomes obvious then that with such a small coverage, one cannot expect to make a real dent in the development of drought prone and desert areas. Since the activities under DPAP /DDP are not spread over the entire length and breadth of the problem areas, but are restricted to identified smaller areas, it would be logical to expect the impact of these programmes only over such limited areas.

Despite the fact that the Drought Prone Areas Programme and the Desert Development Programme have been in operation for almost two decades, it has been observed that the Programmes have not made a substantial impact. On the other hand, it is widely believed that drought conditions in the country are increasing and ecological degradation is proceeding unabated especially in drought prone and desert areas. The main reasons for this degradation have been large scale denudation of forest cover leaving the land vulnerable to soil and

water erosion. In Rajasthan, 18 drought years of different magnitudes have been observed in the past 32 years. Another study in Rajasthan reveals that, on an average, as much as 40.4% of precipitation or rain water goes untapped, and only 6.9% is used for recharging the ground water. In some districts of Tamil Nadu, water table is reportedly going down by 1 ft. every year. It has been reported to us that in the dark blocks in Uttar Pradesh where more than 75% of groundwater has been exploited and where rainfall level is 700 mm, as much as 50-70% run-off from rainfall is wasted.

Despite the fact that nearly 2,000 crores of rupees have been spent on these programmes since their inception and despite the recommendations of the Central Sanctioning Committee to commission evaluation studies from reputed non-official institutions, no such evaluation has been undertaken at the micro-level. Therefore, the Committee had to depend basically on field visits and discussions with the beneficiaries and officials at the field level for evaluating the performance of these programmes. As per guidelines of DPAP and DDP, micro-watershed should be the management unit and in each selected block the micro-watersheds may be classified into high, medium and low priority areas according to their vulnerability to droughts. The highly vulnerable areas should be taken up for development on a priority basis. However, in actual practice, due to lack of adequate data and to pressures from vested interests, selection and finalisation of watersheds for development gets considerably delayed. There is no appropriate multi-disciplinary agency at the district, block and the watershed level to prepare integrated plans which could be taken up for implementation. Most of the schemes taken up are of adhoc nature and without due consideration of cost-benefit ratios. Essential data which are crucial for watershed planning are rarely available with the planners at the district and block levels. Perspective planning for micro-watersheds is seldom done and the plans are mainly prepared on annual basis. Also, the annual plan is prepared on the presumption that rainfall will not exceed the average rainfall of the area. Whenever there is a good rainfall, the administration is caught unprepared and finds itself unable to make use of the excess water available in the area. The excess of rain water runs off causing considerable soil erosion. In the absence of perspective planning, the outlays on drought relief are also not spent wisely on the construction of assets required for mitigation of drought.

For integrated development, it is necessary to dovetail other central and state schemes in each selected watershed. Pooling of funds and implementation of the Programmes planned for the area through a single multi-disciplinary agency has not been observed at many places. Various developmental programmes are taken up by Departments/Agencies in drought/desert areas which may even run counter to the objective of drought proofing

or control of desertification. Thus, while some programmes may stress restoration of ecological balance, others such as promotion of tourism, industrialisation of the area etc. may cause influx of population.

Against the background of the foregoing discussions, the Committee is of the view that determined efforts and concrete steps are required to promote voluntarism in evolving and implementing DPAP and DDP. Initiatives are needed to catalyse promotional efforts towards this end by the State Level Committee. This would mean not only the involvement of the existing voluntary organisations who are genuine and competent, but creating conditions, through favourable policy and bureaucratic receptivity, for the proliferation of local groups consisting of motivated and dedicated people for undertaking such responsibilities. Hence, it would be desirable to move towards the goal of entrusting ultimately 25 per cent of watersheds to the voluntary organisations for the implementation of DPAP and DDP programmes. Keeping this objective in view, the Committee makes the following specific recommendations for facilitating effective people's participation through Voluntary Organisations in the implementation of these programmes: -

- i) The State Governments concerned may constitute State Level Committees for the Promotion of Voluntary Action for DPAP and DDP. The Chief Minister of the State may Chair the Committee which may consist predominantly of representatives of established Voluntary Organisations composed of senior officers of the Government Departments concerned.
- ii) The State Government concerned may give adequate publicity to DPAP and DDP and invite applications district-wise from Voluntary Organisations for taking up these programmes.
- iii) Secretary of the Department of Rural Development may be the Member-Convener of the State Level Committee.
- iv) The State Level Committee may from time to time approve the list of Voluntary Organisations which can be entrusted with the DPAP and DDP. The Committee may lay down the general guidelines for the functioning of Voluntary Organisations and also evolve appropriate policy measures for promoting voluntary action.
- v) Wherever reputed Voluntary Organisations are forthcoming, implementation of 25 per cent of the DPAP /DDP watersheds in a district may be entrusted to them. A Committee at the district level under the Chairmanship of the District Collector consisting mainly of representatives of Voluntary Organisations may be constituted for the purpose.

- vi) The District Level Committee shall encourage Voluntary Organisations to take up implementation of the programmes.
- vii) The District Level Committee may approve the project proposals including the financial outlays of Voluntary Organisations for implementing the programmes. The project proposals may either be for awareness-raising/training the people and local functionaries for evolving and implementing the programmes or for the whole process of formulation and implementation of watershed-based plans involving the local people, especially the beneficiaries. viii) Based on the decisions/recommendations of the District Level Committee, funds for implementing the programmes will be released to the Voluntary Organisations directly by the State Government/ Zilla Parishad/DRDA, as the case may be. This arrangement could be formalised in the form of a Memorandum of Understanding broadly on the pattern being implemented by the Department of Agriculture & Cooperation in respect of Centrally Sponsored Scheme of National Watershed Development Programme for Rainfed Areas (NWDPR).
- ix) The Voluntary Organisations entrusted with the implementation of the project will be fully responsible for its completion in terms of the project proposals and shall submit audited accounts annually to the prescribed authorities. The VOs may be permitted up to 10 per cent of the project cost to man their staff.
- x) For effective mobilisation of local people's participation in the programmes, the Voluntary Organisations shall constitute Watershed Development Teams for the implementation of the programme and shall share the accounts for the grants given for watershed development with the General Body.
- xi) The functionaries of the line Departments of the Governments may extend their full cooperation, especially in providing the necessary technical guidance in the preparation and implementation of the programmes.
- xii) The assets and benefits accruing from the programmes shall vest entirely with the beneficiaries/local communities which will be responsible for the proper maintenance of the assets created including plantations etc.
- xiii) The District Level Committee may periodically monitor the functioning of the Voluntary Organisations in the implementation of the programmes and take appropriate action in order to ensure that the programmes are implemented in terms of the approved project proposal.

6.4 Pradhan Mantri Gram Sadak Yojana

The **Pradhan Mantri Gram Sadak Yojana (PMGSY)** is a nationwide plan in India to provide good all-weather road connectivity to its unconnected villages. 178,000 (1.7 lakh) habitations with a population of above 500 in the plains and above 250 in the hilly areas one planned to be connected by all-weather roads, 82% were already connected by December 2017 and work-in-progress on the remaining 47,000 habitations was on-track for completion by March 2019 (c. December 2017). This Centrally Sponsored Scheme was introduced in 2000 by the then-prime minister of India Late Shri Atal Bihari Vajpayee The Assam Tribune has reported that the scheme has started to change the lifestyle of many villagers as it has resulted in new roads and upgrade of certain inter-village routes in Manipur.

Rural Road Connectivity is not only a key component of Rural Development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction. Notwithstanding the efforts made, over the years, at the State and Central levels, through different Programmes, many Habitations in the country are still not connected by All-weather roads. It is well known that even where connectivity has been provided, the roads constructed are of such quality (due to poor construction or maintenance) that they cannot always be categorised as All-weather roads. With a view to redressing the situation, Government had launched the Pradhan Mantri Gram Sadak Yojana on 25th December, 2000 to provide all-weather access to eligible unconnected habitations. The Pradhan Mantri Gram Sadak Yojana (PMGSY) is a 100% Centrally Sponsored Scheme. ‘

6.4.1. Programme Objectives

The primary objective of the PMGSY is to provide Connectivity, by way of an All-weather Road (with necessary culverts and cross-drainage structures, which is operable throughout the year), to the eligible unconnected Habitations in the rural areas with a population of 500 persons and above in Plain areas. In respect of the Hill States (North-East, Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttarakhand), the Desert Areas (as identified in the Desert Development Programme), the Tribal (Schedule V) areas and Selected Tribal and Backward Districts (as identified by the Ministry of Home Affairs and Planning Commission) the objective would be to connect eligible unconnected Habitations with a population of 250 persons and above.

The PMGSY will permit the upgradation (to prescribed standards) of the existing roads in those districts where all the eligible habitations of the designated population size have been provided all-weather road connectivity. However, it must be noted that upgradation is not central to the Programme. In upgradation works, priority should be given to roads which carry more traffic.

The spirit and the objective of the Pradhan Mantri Gram Sadak Yojana (PMGSY) is to provide good all-weather road connectivity to the eligible unconnected habitations. A habitation which was earlier provided all-weather connectivity would not be eligible even if the present condition of the road is bad. The unit for this Programme is a habitation and not a Revenue Village or a Panchayat. A Habitation is a cluster of population, living in an area, the location of which does not change over time. Desam, Dhanis, Tolas, Majras, Hamlets etc. are commonly used terminology to describe the Habitations.

An Unconnected Habitation is one with a population of designated size located at a distance of at least 500 metre or more (1.5 km of path distance in case of Hills) from an All-weather road or a connected Habitation. In the blocks bordering international boundary in the hill States (as identified by the Ministry of Home Affairs), however, all habitations within a path distance of 10 km may be treated as a cluster for this purpose. The population, as recorded in the Census 2001, shall be the basis for determining the population size of the habitation. The population of all Habitations within a radius of 500 metre (1.5 km of path distance in case of Hills) may be clubbed together for the purpose of determining the population size. In the blocks bordering international boundary in the hill States (as identified by the Ministry of Home Affairs), however, all habitations within a path distance of 10 km may be treated as a cluster for this purpose.

The eligible Unconnected Habitations are to be connected to nearby Habitations already connected by an All-weather road or to another existing All-weather road so that services (educational, health, marketing facilities etc.), which are not available in the unconnected habitation, become available to the residents. The PMGSY shall cover only the rural areas. Urban roads are excluded from the purview of this Programme. Even in the rural areas, PMGSY covers only the Rural Roads i.e., Roads that were formerly classified as 'Other District Roads' (ODR) and 'Village Roads' (VR). Other District Roads (ODR) are roads serving rural areas of production and providing them with outlet to market centres, taluka (tehsil) headquarters, Block headquarters or other main roads. Village Roads (VR) are roads connecting villages / Habitation or groups of Habitations with each other and to the nearest road of a higher category. Major District Roads, State Highways and National Highways cannot be covered under the PMGSY, even if proper planning is imperative to

achieve the objectives of the Programme in a systematic and cost-effective manner. The Manual for the Preparation of District Rural Roads Plan and the Core Network, shall be treated as part of the Guidelines and would stand amended to the extent modified by the present Guidelines. The Manual lays down the various steps in the planning process and the role of different Agencies including the Intermediate Panchayat, the District Panchayat as well as the State Level Standing Committee. In the identification of the Core Network, the Pradhan Mantri Gram Sadak Yojana priorities of elected representatives, including MPs and MLAs, are expected to be duly taken into account and given full consideration. The Rural Roads Plan and the Core Network would constitute the basis for all planning exercises under the PMGSY. 4.2 The District Rural Roads Plan would indicate the entire existing road network system in the District and also clearly identify the proposed roads for providing connectivity to eligible Unconnected Habitations, in an economic and efficient manner in terms of cost and utility. The Core Network will identify the roads required to assure each eligible Habitation with a Basic Access (single all-weather road connectivity) to essential social and economic services. Accordingly, the Core Network would consist of some of the existing roads as well as all the roads proposed for new construction under the PMGSY. 4.3 In proposing the new links under the District Rural Roads Plan, it would be first necessary to indicate the weightage for various services. The District Panchayat shall be the competent authority to select the set of socio-economic / infrastructure variables best suited for the District, categorises them and accord relative weightages to them. This would be communicated to all concerned before commencing the preparation of the District Rural Roads Plan.

Key Words :

Rural Development, Economic Development, Lewis Model, Big push theory, Myrdal's Model, Gandhian approach to rural development, Rural economic base, Agriculture, Non-firm sector, Rural Cooperatives, Agricultural Marketing, Area specific rural development, Approaches to rural development, Draught Prone Area Programmes, Pradhan Mantri Gram Sadak Yojana (PMGSY).

6.5 □ Questions

1. What do you understand by Area Based Approach to Rural Development?
2. Identify the highlights of Drought Prone Area Programme.
3. What are the major components of Pradhan Mantri Gram Sadak Yojana?

6.6 Suggested Readings

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MODULE-2

: Learning Objectives :

The Learners will learn the following topics from this Module :

- i) The concept and programmes of target groups.
- ii) The physical and socio-economic access and services.
- iii) The elementary education, health, micro-credits.
- iv) The concept of Panchayati raj system as rural governance.
- v) The rural development policies and programmes in India.
- vi) The concept of rural infrastructural development like electrification, housing, transport, etc.
- vii) Some special rural development programmes for women and children.

Unit 7 □ Target Group Approach To Rural Development

Structure

- 7.1 Target Group Approach to Rural Development**
- 7.2 Approaches to Rural Development since Independence**
- 7.3 Types of Target Groups**
- 7.4 Swarnjayanti Gram Swarozgar Yojana**
 - 7.4.1 Objectives**
 - 7.4.2 Main Features**
- 7.5 Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)**
 - 7.5.1 Objectives**
 - 7.5.2 Main Features**
- 7.6 Pradhan Mantri Jan Dhan Yojana**
 - 7.6.1 Objectives**
 - 7.6.2 Main Features**

7.1 □ Target Group Approach to Rural Development

As per the Census 2011 68.84 per cent people live in rural areas in India. Vast majority of India's poorest people are located in rural areas. The basic problems faced by rural India are rapid growth of population, rising unemployment and underemployment, low per capita resource availability, widespread poverty, growing inequality. All these result in stagnation and decay of economic and social life in rural areas. Most social and economic indicators consistently show gross disparity between urban and rural sectors of the country. It is at the rural level that problems of hunger, ignorance, ill health and high mortality are more acute. Therefore, if development is to take place and become self-sustaining, it will have to be rooted in and started from the rural areas. Development of rural areas has been at the core of the planning process in the country.

The term 'rural development' is a subset of a broader term 'development'. Rural development is a broad and inclusive term, which connotes overall development of rural

areas with a view to improve the quality of life of rural people. The basic objectives of rural development programme have been alleviation of poverty and unemployment through creating basic social and economic infrastructure, training to rural unemployed youth and to provide employment to marginal farmers/labourers, so as to discourage seasonal and permanent migration to urban areas. Rural development also includes strengthening the democratic fabric of society through local level governments/ institutions, improvement of rural infrastructure, income of rural households and service systems pertaining to education, health and safety net mechanisms. However, Poverty alleviation has a key component of rural development in India.

7.2 □ Approaches to Rural Development since Independence

Since 1951 till today, various approaches have been adopted by the Government of India to find a suitable strategy towards the achievement of rural prosperity, equality and employment generation for rural people. The approaches are mentioned below.

1. Multi-purpose Approach: In early fifties, rural development efforts began with multi-purpose approach which included activities related to agriculture, animal husbandry, co-operation, irrigation, village and small scale industries, health, sanitation, housing, transport and communication, welfare of women, and rural employment. The Community Development Programmes (CDP) and the National Extension Service (NES) initiated in 1952 fell under this approach. Though the CDP, as a holistic approach, did not succeed as expected. The impact of programme was ephemeral. It was said that the community development programme has been like film of butter spread over a large loaf, thus provide ineffective in a complex society. Hence, it could not make a dent into social fabric as was expected. The critics also point out that;

- i) It brought about a great disparity between the rich and the poor,
- ii) It hardly touched the problem of meeting the felt needs of the people,
- iii) It failed to bring about the process of modernization through social education, and
- iv) Lack of people's participation.

In spite of the criticisms leveled against CDP and NES, the fact cannot be denied that the programme added a new dimension to the process of change and generated

community consciousness to solve community problems. The multi-purpose approach was a significant approach, which laid the foundation stone for the upliftment of rural India.

2. Sectoral Approach to Rural Development: By 1960's the situation was rather critical on the food front. The need for great concentration on food production led to strategy for locating potential sectors and well-endowed districts and areas capable of yielding higher agricultural production. More attention was paid in improving productivity per acre than on extending the acreage. Thus, in 1960 the Intensive Agriculture Development Programme (IADP) and later in 1963 Intensive Agricultural Area Programme (IAAP) were launched. Both IADP and IAAP constituted landmarks not only in the development of agriculture, but also in the development of the rural sector in India. The programmes placed agriculture on a qualitatively different footing with wide ranging impacts on rural scenario.

3. Target Group Approach: In order to accommodate the lagging sectors/regions rural development was re-conceptualised to highlight the improvement of the social and economic life of a specialised group of people. The target group comprised of marginal and small farmers, landless agricultural labourers for whom special programmes, such as the Small Farmers Development Agency and the Marginal Farmers and Agricultural Laborers Development Agency were started in 1969. It was noticed that the target group approach showed a better results where information facilities were satisfactory and administrative and organisational arrangements were reasonably strong.

4. Area Development Approach: Area development approach was for correction of regional imbalance. In this connection, mention may be made about the Tribal Area Development Programme (1972), the Hill Area Development Programme (1974-75), the Drought Prone Area Programme (1970), the Desert Development Programme (1977-78), and the Command Area Development Programme (1975). These programmes were fairly successful in terms of implementation.

5. Basic Needs Approach: The basic needs approach gives primacy to the need for a minimum standard of living of the poor as a central concern of development planning. It contributes to the formulation of a development strategy, which aims at reducing poverty and inequality, promoting growth of employment and distributive justice. The basic needs concept is a wider scope covering personal and social consumption and also human rights, people's participation, employment and growth with justice. The Minimum Needs

Programme (MNP) in India was introduced in 1972 during the first year of fifth plan period with the objectives of establishing network of basic services and facilities of social consumption in all areas of upto nationally accepted norms within in a specified time frame.

6. Employment-oriented Integrated Approach to Rural Development: With a view to overcome the limitations of earlier approaches and to improve the quality of life of the poor living in the rural areas, a multi-level, multi-sector and multi-section concept of integrated rural development was launched in 1978-79. Different programmes were brought under single umbrella of the Integrated Rural Development Programme (IRDP). It aimed at ensuring accelerated welfare and development of the poorest of the poor based on the Gandhian concept of Antyodaya. Several programmes for providing employment to rural poor, namely, the Rural Works Programme (1970-71), the Rural Landless Employment Guarantee Programme (1983), the Training Rural Youth for Self-employment (1979), the Development of Women and Children in Rural Areas (1982) and the Jawahar Rozgar Yojana (1989) were introduced.

The Target Group Approach

The selection of target groups for extension programmes often results in a highly emotional debate. Selection is generally determined by government policy, although government policy does not always represent the attitudes and philosophies of all individuals in society. Selection of target groups may precipitate debates which range from ideological/philosophical posturings to pragmatic assessments of a nation's capability of providing extension services dictated by a particular philosophy. Extension services represent a large investment with returns occurring over the long-term. Rarely are returns immediate in nature. Budgetary resources may not permit the level of investment which a sense of moral obligation to strive for social justice may require.

Target groups can be identified and categorised in several ways. In many countries policy debates are common on whether to carry out extension with the purpose of maintaining low consumer prices, or helping rural producers to achieve higher standards of living through higher prices for their commodities. A second policy issue revolves around emphasis on private producers or cooperatives. Often the argument is phrased as a decision to work primarily with large or small scale farmers. This decision is closely related to national philosophies on economic development strategies.

7.3 □ Types of Target Groups

1. Private Producers- Some countries identify private producers as the targets for extension activities. Private producers are farmers who work for themselves, receive benefits from their management and control of the aquaculture enterprise, and assume the consequences of any wrong decision. Private producers can be small-scale farmers working individually, or large-scale commercialised farmers. The common denominators are the private ownership and management control of the farm. Private producers have strong incentives to adopt those technologies which will benefit them the most, and from which a tangible reward can be obtained for their efforts.

2. Cooperatives- Many development efforts of international assistance agencies have been oriented towards cooperative groups. In this approach individuals are not favoured with special privileges, and extension resources are used efficiently by working with a group of people rather than one person at a time. Socio-economic homogeneity, and socially esteemed and influential leaders (but not rich) are factors which contribute to the success of group projects.

3. Subsistence Producers- A common debate in development philosophy related to extension is whether to work directly with the poorest people, or to work with wealthier farmers and hope that the technology ‘trickles down’ to lower economic strata. In societies which are highly stratified in economic and social terms, choosing to work only with the wealthier class prevents the technology from reaching the poorer strata. In practice the “trickle down” theory rarely works.

In 1979 the World Conference on Agrarian Reform and Rural Development declared that “... most development efforts have not yet succeeded in satisfying the aspirations of peoples and their basic requirements consistent with principles of human dignity and international social justice and solidarity, especially in the rural areas of developing countries. Rural development strategies can realise their full potential only through the motivations, active involvement, and organization at the grass-roots level of rural people, with special emphasis on the least advantaged.” Efforts directed towards the ‘poorest of the poor’ meet with enormous obstacles. Many of the world’s farmers are landless or tenants. Poverty itself indicates a very low level of resources to work with to provide both food and income for the family.

In India post-independence rural development initiatives essentially and effectively considered the rural poor as target group for various socio-economic development.

Efforts were made to promote the target groups sometimes by paving ways for supplementary income generation, sometimes by facilitating self-employment, sometimes by assuring a minimum number of days of guaranteed employment, sometimes by a compulsory financial inclusion method or something else. Three of the major projects having the target group approach have been discussed in the following part.

7.4 □ Swarnjayanti Gram Swarozgar Yojana

The Swarnjayanti Gram Swarozgar Yojana (SGSY) is a major programme for the self-employment of rural poor. It started on 01.04.1999 after restructuring the erstwhile Integrated Rural Development Programme (IRDP) and its allied programmes, namely Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Toolkits in Rural Areas (SITRA) and Ganga Kalyan Yojana (GKY), besides Million Wells Scheme (MWS). The SGSY is being implemented by the District Rural Development Agencies (DRDAs), with the active involvement of Panchayati Raj Institutions (PRIs), the Banks, the Line Departments and the Non-government Organizations (NGOs). The SGSY was renamed as National Rural Livelihood Mission in 2011. Finally in 2015 the National Urban Livelihood Mission and National Rural Livelihood Mission and the new scheme was named as the Deen Dayal Upadhyaya Antyodaya Yojana. Since the inception of the programme 22.52 lakh self-help groups (SHGs) have been formed covering 66.97 lakh swarozgaris. These include 35.54 lakhs members of the SHGs and 31.43 lakh individual swarozgaris who have been assisted with a total investment of Rs.14403.73 crore. Out of total Swarozgaris assisted, SCs/STs were 45.54 per cent and women 47.85 per cent.

7.4.1 Objectives

The basic objective of the SGSY is to bring the assisted poor families (Swarozgaris) above the Poverty Line by ensuring appreciable increase in income over a period of time. This would be done by providing them income-generating assets through a mix of bank credit and governmental subsidy. It covers all aspects of self-employment of rural poor, including organisation of rural poor into Self-help Groups (SHG), capacity building of the Group through financial assistance, training, selection of key activities, infrastructure build up, technology and marketing support. The SGSY emphasises assistance to the Swarozgaris for those activities which have been identified and selected as key activities in terms of their economic viability in the area. Each block may select about 10 key activities but focus

should be on 4-5 key activities based on local resources, occupational skills of the people and availability of markets so that the Swarozgaris can draw sustainable incomes from their investments. The programme aims at establishing a large number of micro enterprises in rural areas based on the ability of the poor and potential of each area.

7.4.2 Main Features

1. Emphasis is on social mobilisation of rural poor to enable them to organise into Self-help Groups.
2. SGSY is a credit-cum-subsidy scheme where credit is critical component and subsidy is only an enabling element which is linked with credit.
3. Participatory approach in selection of key activities and project approach for each key activity have to be adopted.
4. Emphasis on development of activity clusters to ensure proper forward and backward linkages.
5. Strengthening of groups through Revolving Fund Assistance (RFA) is practised. Active role of non-governmental organisations (NGO) in formation and capacity building of SHGs is appreciated.
6. There is provision of training of beneficiaries in group dynamics and skill development for taking up micro enterprises.
7. Marketing support with emphasis on market research, upgradation/ diversification of products, packaging, creation of market facilities, etc. is provided.
8. There is provision for development of infrastructure to provide missing critical link and 20% fund (in case of NE State 25%) is earmarked for infrastructure development.
9. Focus is on vulnerable groups i.e. SC, ST, women, minorities and disabled persons.
10. 15% fund is earmarked for Special Projects to ensure a time-bound programme for bringing a specific number of Below Poverty Line (BPL) families above the poverty line through self-employment generation.
11. Funds under SGSY are shared between the Centre and the States in the ratio of 75:25. The ratio of sharing of funds between the Centre and the North Eastern States including Sikkim is 90:10.

7.5 □ Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

The National Rural Employment Guarantee Act, 2005 (NREGA), notified on September 7, 2005 and later renamed as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2009, is an Indian labour law and social security measure that aims to guarantee the 'right to work'. The Ministry of Rural Development (MRD), Government of India, in association with state governments, is in charge of monitoring the entire implementation of this scheme. In its World Development Report 2014, the World Bank termed it a 'stellar example of rural development'. In 2018-19 financial year total number of job-cards issued under the MGNREGA was 1323.77 lakh and total number of workers were 2679.27 lakh and person-days generated was 268.01 crore.

Productive absorption of underemployed and surplus labour-force in the rural sector has been a major focus of planning for rural development. In order to provide direct supplementary wage-employment to rural poor through public works a large number of programmes were introduced by the Government of India. Programmes like National Rural Employment Programme, Rural Landless Employment Guarantee Programme, JawaharRozgarYojana, SampoornaGrameenRozgarYojana have been implemented all over the country to provide supplementary wage-employment in rural areas, to create durable rural infrastructure and also to ensure food security. However, there has been inadequacy in rate of employment generation under these schemes on one hand and the situation of unemployment has been compounded by the absence of any social security mechanism on the other hand. In this context with a view to provide at least some minimum days of employment in the shape of manual labour to every household in rural areas the National Rural Employment Guarantee Bill was passed in 2004, which became an act in 2005.

7.5.1 Objectives

It is an act to provide for the enhancement of livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. It tries to provide strong social safety net for the vulnerable groups by providing a fall-back employment source, when other employment alternatives are scarce or inadequate. It attempts to achieve sustainable development of an agricultural economy.

Through the process of providing employment on works that address causes of chronic poverty such as drought, deforestation and soil erosion, the act seeks to strengthen the natural resource base of rural livelihood and create durable assets in rural areas. Another aim of the MGNREGA is to create durable assets (such as roads, canals, ponds and wells). The MGNREGA seeks to go for new ways of doing business, as a model of governance reform anchored on the principles of transparency and grassroot democracy. Thus the MGNREGA fosters conditions for inclusive growth ranging from basic wage security and recharging rural economy to a transformative empowerment process of democracy. It envisages empowerment of rural poor through the processes of a rights-based Law.

7.5.2 Main Features

1. The MGNREGA is to be implemented mainly by gram panchayats (GPs). Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat. The Gram Panchayat after due verification will issue a Job Card.
2. Apart from providing economic security and creating rural assets, NREGA can help in protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equity, among others.
3. Employment will be given within 15 days of application for work, if it is not then daily unemployment allowance as per the Act, has to be paid liability of payment of unemployment allowance is of the States.
4. Work should ordinarily be provided within 5 km radius of the village. In case work is provided beyond 5 km, extra wages of 10% are payable to meet additional transportation and living expenses
5. Wages are to be paid according to the Minimum Wages Act 1948 for agricultural labourers in the State, unless the Centre notifies a wage rate which will not be less than Rs. 60/ per day. Equal wages will be provided to both men and women.
6. At least one-third beneficiaries shall be women who have registered and requested work under the scheme.
7. Work site facilities such as crèche, drinking water, shade have to be provided.

8. The shelf of projects for a village will be recommended by the gram sabha and approved by the zillapanchayat.
9. Permissible works predominantly include water and soil conservation, afforestation and land development works.
10. A 60:40 wage and material ratio has to be maintained. No contractors and machinery is allowed.
11. The Central Government bears the 100 percent wage cost of unskilled manual labour and 75 percent of the material cost including the wages of skilled and semi-skilled workers
12. Social Audit has to be done by the Gram Sabha.
13. Grievance redressal mechanisms have to be put in place for ensuring a responsive implementation process
14. All accounts and records relating to the scheme should be available for public scrutiny.

7.6 □ Pradhan Mantri Jan Dhan Yojana

Pradhan Mantri Jan Dhan Yojana (PMJDY), one of the biggest financial inclusion initiatives in the world, was announced on 15th August 2014. The aim is to liberate the poor people from a vicious cycle by involving them in economic activity. The Pradhan Mantri Jan Dhan Yojana has a structured monitoring mechanism from Central to District level. At the Centre, Finance Minister is the Mission head along with a Steering Committee and a Mission Director. The programme is monitored at state level by a State Implementation Committee and in the districts by a District Implementation Committee. Upto September 2019 there has been 21.72 crore beneficiaries at rural/ semi-urban centre bank branches, 37.22 crore total beneficiaries, total deposit of Rs. 104893.56 crore in accounts and 29.45 crore Rupay Debit Cards issued to beneficiaries.

7.6.1 Objectives

Pradhan Mantri Jan Dhan Yojana is a National Mission on Financial Inclusion which has an integrated approach to bring about comprehensive financial inclusion and provide banking services to all households in the country. The scheme ensures access to a range of financial services like availability of basic savings bank account, access to need based credit, remittances facility, insurance and pension.

7.6.2 Main Features

1. It proposes universal access to banking facility.
2. Account can be opened in any bank branch or Business Correspondent (Bank Mitra) outlet at zero balance. Every bank account is on Core Banking System (CBS) of banks.
3. Mobile banking using USSD facility available on even basic feature phones is also being supported.
4. There is an overdraft facility of Rs. 5,000 for Aadhar-linked accounts and a RuPay debit card with inbuilt Rs. 1 lakh accident insurance cover.
5. For accounts opened between 15th August 2014 and 26th January 2015, a Life Insurance cover of Rupees 30,000 is available to the eligible beneficiaries.
6. Financial literacy programme aims to take financial literacy upto village level for better understanding of the whole mechanism.
7. The mission also envisages extension of Direct Benefit Transfer (DBT) under various Government Schemes through bank accounts of the recipients.

The Kisan Credit Cards (KCC) are also being linked with RuPay platform. Micro insurance to the people, and unorganised sector Pension schemes like Swavalamban through the Business Correspondents have also been included for the second phase of the programme.

Unit 8 □ Provision of Services

Structure

- 8.1 Provision of Services: Physical and Socio-economic Access**
- 8.2 Elementary Education**
 - 8.2.1 Sarva Shiksha Abhiyan**
 - 8.2.2 Mid-Day Meal Scheme**
 - 8.2.3 Mahila Samakhya Programme**
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 - 8.2.6 School Education Shagun**
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- 8.4 Healthcare**
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- 8.7 Rural Healthcare System**
- 8.8 Micro Credit**
- 8.9 Provision of Urban Amenities to Rural Areas**

8.1 □ Provision of Services: Physical and Socio-economic Access

Rural services are essential to the carrying out of a wide variety of economic and social activities in non-urban areas, where the majority of the world's poor live. Services such as credit, market information, research, infrastructure and extension are key assets to development and poverty reduction in rural areas. Yet, the rural poor generally face interlocking barriers to economic, social, and political opportunities as well as limited access to infrastructure, financial, extension, and other services. Combined with income poverty, lack of access and weak provision of rural services hinder productivity of rural

areas and prevent rural households from becoming economically viable. Rural regions face a particular challenge in the form of relatively high costs of service delivery due to a number of factors:

- Lower density population,
- Larger distances that have to be travelled by service users and service providers,
- Small number of people in any location that preclude economies of scale.

Through its various activities, the initiative on rural Services contributes to knowledge sharing and learning by reviewing the state of existing supply of rural services (both in terms of quantity and quality), the major weaknesses and constraints to rural service provision, and the mechanisms necessary to ensure that services reach farmers and the rural poor more effectively (including the respective roles of the public and private sectors). The initiative also seeks to promote awareness and understanding of the importance of rural services for increase in productivity and sustainability of production, thereby fostering rural development. It also aims to increase the interface between, and integration among, various levels of government, community involvement, and the private sector in funding and provision of services. Finally, the importance of adequate financial and institutional arrangements and rural groups' participation in the planning, provision, maintenance, and monitoring of such services is also emphasised. Strategies to improve rural service delivery are stated below.

- Placing end users at the community level are an integral part of the process
- Consolidation of services by concentrating customers on a smaller number of service locations is essential.
- Basic overhead costs such as energy, security and administrative expenses, can be pooled, generating economies of scale Co-location of services.
- Merging merge similar or substitute services and combines them into a single entity is a cost-effective way.
- Where the demand for services is widely dispersed, it may be more efficient to bring the service to the user.
- Community-based solutions for different types of providers is beneficial.

Villagers comprise the core of Indian society and also represent the real India. India is a country of villages and about 50% of the villages have very poor socio-economic conditions. Since the dawn of independence, concerted efforts have been made to ameliorate the living standard of rural masses. So, rural development is an integrated concept of growth and poverty elimination has been of paramount concern in all the consequent five year plans. Rural Development (RD) programmes comprise of following:

- Provision of basic infrastructure facilities in the rural areas e.g. schools, health facilities, roads, drinking water, electrification etc.
- Improving agricultural productivity in the rural areas.
- Provision of social services like health and education for socio-economic development.
- Implementing schemes for the promotion of rural industry increasing agriculture productivity, providing rural employment etc.
- Assistance to individual families and Self Help Groups (SHG) living below poverty line by providing productive resources through credit and subsidy.

8.2 Elementary Education

With the formulation of National Policy on Education, India initiated a wide range of programmes for achieving the goal of Universal Elementary Education through several interventions, such as

- Sarva Shiksha Abhiyan
- Mid Day Meal
- Mahila Samakhya
- Strengthening for providing quality Education in Madrassas

8.2.1 Sarva Shiksha Abhiyan

Sarva Shiksha Abhiyan (SSA) is a flagship programme of the Government of India aimed at the universalisation of elementary education "in a time bound manner", as mandated by the 86th Amendment to the Constitution of India making free and compulsory education to children between the ages of 6 and 14 a fundamental right. As an intervention programme, it started on 2002, though SSA has been operational since 2000-2001. However, its origin

goes back to 1993-1994, when the District Primary Education Programme (DPEP) was launched, with an aim of achieving the objective of universal primary education. The Central share was funded by a number of external agencies, including the World Bank, Department for International Development (DFID) and UNICEF. In 2018-19 total number of educational institutes was 10426, which include an enrolment of 517115 girls and 1316060 boys.

Objectives

SSA aims to provide for a variety of interventions for universal access and retention, bridging of gender and social category gaps in elementary education and improving the quality of learning. SSA interventions include inter alia, opening of new schools and alternate schooling facilities, construction of schools and additional classrooms, toilets and drinking water, provisioning for teachers, regular teacher in service training and academic resource support, free textbooks and uniforms, and support for improving learning achievement levels/ outcome. As the Right to Education Act (RTE) came into force on 1 April 2010, changes have been incorporated into the SSA approach, strategies and norms. The changes encompass the vision and approach to elementary education, guided by the following principles: Holistic view of education, as interpreted in the National Curriculum Framework 2005, with implications for a systemic revamp of the entire content and process of education with significant implications for curriculum, teacher education, educational planning and management. Equity, to mean not only equal opportunity, but also creation of conditions in which the disadvantaged sections of the society, children of SC, ST, Muslim minority, landless agricultural workers and children with special needs, etc., can avail of the opportunity.

‘Padhe Bharat Badhe Bharat’, launched in 2014 by the Ministry of Human Resource Development, is a nationwide sub-programme of the SarvaShikshaAbhiyan. Children who fail to read in early education lag behind in other subjects. The programme is designed to improve comprehensive early reading, writing and early mathematics programme for children in Classes I and II. The programme will not only provide print rich environment, timely distribution of books but will also include new teacher mentoring and appraisal system. In 2018, the SarvaShikshaAbhiyan along with the RashtriyaMadhyamikShikshaAbhiyan was launched to form SamagraShikshaAbhiyan.

Main Features

1. The SarvaShikshaAbhiyan (SSA) is a programme for Universal Elementary Education.

2. This programme is also an attempt to provide an opportunity for improving human capabilities to all children through provision of community-owned quality education in a mission mode.
3. It is a response to the demand for quality basic education all over the country.
4. The SSA attempts to provide quality elementary education including life skills with a special focus on the education of girls and children with special needs as well as computer education.
5. Centrality of teacher, to motivate them to innovate and create a culture in the classroom, and beyond the classroom, that might produce an inclusive environment for children, especially for girls from oppressed and marginalised backgrounds.
6. Moral compulsion is imposed through the RTE Act on parents, teachers, educational administrators and other stakeholders, rather than shifting emphasis on punitive processes.
7. Convergent and integrated system of educational management is pre-requisite for implementation of the RTE law. All states must move in that direction as speedily as feasible.

8.2.2 Mid-Day Meal Scheme

With a view to enhancing enrolment, retention and attendance and simultaneously improving nutritional levels among children, the National Programme of Nutritional Support to Primary Education (NP-NSPE) was launched as a Centrally Sponsored Scheme on 15th August 1995.

In 2001 Mid-Day Meal Scheme (MDMS) became a cooked Mid-Day Meal Scheme under which every child in every Government and Government aided primary school was to be served a prepared Mid Day Meal with a minimum content of 300 calories of energy and 8-12 gram protein per day for a minimum of 200 days. The Scheme was further extended in 2002 to cover not only children studying in Government, Government aided and local body schools, but also children studying in Education Guarantee Scheme (EGS) and Alternative & Innovative Education (AIE) centres.

In September 2004 the Scheme was revised to provide for Central Assistance for cooking cost at the rate Rs. 1 per child per school day to cover cost of pulses, vegetables cooking oil, condiments, fuel and wages and remuneration payable to personnel or amount payable to agency responsible for cooking. Transport subsidy was also raised from the

earlier maximum of Rs. 50 per quintal to Rs. 100 per quintal for special category states and Rs 75 per quintal for other states. Central assistance was provided for the first time for management, monitoring and evaluation of the scheme cost at the rate 2% of the cost of foodgrains, transport subsidy and cooking assistance. A provision for serving mid day meal during summer vacation in drought affected areas was also made.

In July 2006 the Scheme was further revised to enhance the cooking cost to Rs. 1.80 per child/school day for States in the North Eastern Region and Rs. 1.50 per child / school day for other States and UTs. The nutritional norm was revised to 450 Calories and 12 gram of protein. In order to facilitate construction of kitchen-cum-store and procurement of kitchen devices in schools provision for Central assistance @ Rs. 60,000 per unit and @ Rs. 5,000 per school in phased manner were made.

In October 2007, the Scheme was extended to cover children of upper primary classes (i.e. class VI to VIII) studying in 3,479 Educationally Backward Blocks (EBBs) and the name of the Scheme was changed from 'National Programme of Nutritional Support to Primary Education' to 'National Programme of Mid Day Meal in Schools'. The nutritional norm for upper primary stage was fixed at 700 Calories and 20 grams of protein. The Scheme was extended to all areas across the country from 1.4.2008.

The Scheme was further revised in April 2008 to extend the scheme to recognise as well as unrecognised Madarsas / Maqtabas supported under SSA.

8.2.3 Mahila Samakhy Programme

The MahilaSamakhyaprogramme was launched in 1988 to pursue the objectives of the National Policy on Education, 1986. The policy recognised that the empowerment of women is possibly the most critical pre-condition for the participation of girls and women in the educational process. The programme has been supported by State government, UNICEF, World Bank and others. Presently, MahilaSamakhya is active in 12,000 villages, over 60 districts in 9 states including Bihar, where UNICEF and MahilaSamakhya have been partners for a long time.

Objectives

The guiding principle of the programme is the centrality of education in empowering women to achieve basic equality. It strives to make women aware, empowered, capable and self-reliant. MahilaSamakhya has been particularly successful in targeting out-of-school girls by working with the community to create learning opportunities in alternative centres,

residential camps and early childhood development centres. The programme functions through Sanghas - village level women's collectives. The Sanghas have provided the collective strength for women, usually from poor & marginalized groups, to overcome barriers to their participation in and access to education and development. The process of mobilising and organising women is done by a Sahayogini who looks after 10 villages. The learning is built around broad issues such as access to government services, women's health, violence against women, rights and entitlements, women's role in Gram-sabhas and other local governance structures, livelihoods, and basic literacy. The Sanghas are formed into Federations at the block level.

Main Features

1. To enhance self-esteem and self-confidence of women;
2. To build a positive image of women by recognizing their contribution to the society, polity and the economy;
3. To develop ability to think critically;
4. To foster decision making and action through collective processes;
5. To enable women to make informed choices in areas like education, employment and health (especially reproductive health);
6. To ensure equal participation in developmental processes;
7. To provide information, knowledge and skill for economic independence;
8. To enhance access to legal literacy and information relating to their rights and entitlements in society with a view to enhance their participation on an equal footing in all areas.

8.2.4 Scheme to Provide Quality Education in Madrasas

Scheme to Provide Quality Education in Madrasas (SPQEM) is being implemented by the Ministry of Human Resource Development from the year 2008-09. The scheme seeks to bring about qualitative improvement in Madrasas to enable Muslim children attain standards of the national education system in formal education subjects.

Objectives

The objective of the Scheme is to encourage traditional institutions like Madrasas and Maktabas by giving financial assistance to introduce science, mathematics, social studies,

Hindi and English in their curriculum so that academic proficiency for classes I-XII is attainable for children studying in these institutions.

Main Features

1. Training of such teachers every two years in new pedagogical practices.
2. Providing Science labs, Computer labs with annual maintenance costs in the secondary and higher secondary stage madrasas.
3. Provision of Science/Mathematics kits in primary/upper primary level madrasas.
4. Strengthening of libraries/book banks and providing teaching learning materials at all levels of madrasas.
5. The unique feature of this modified scheme is that it encourages linkage of Madrasas with National Institute for Open Schooling (NIOS), as accredited centres for providing formal education, which will enable children studying in such Madrasas to get certification for class 5, 8, 10 and 12. This will enable them to transit to higher studies and also ensure that quality standards akin to the national education system.
6. The NIOS linkage will be extended under this scheme for Vocational Education at the secondary and higher secondary stage of Madrasas.
7. For the monitoring and popularisation of the scheme it will fund State Madrasa Boards. Government of India will itself run periodic evaluations, the first within two years.

8.2.5 Samagra Siksha

The Union Budget, 2018-19, has proposed to treat school education holistically without segmentation from pre-nursery to Class 12. SamagraSiksha is a sector-wide development programme, extending from pre-school to class 12, which subsumes the then existing Centrally Sponsored Schemes of Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education (TE) to help harmonising the implementation mechanisms and transaction costs at all levels, particularly in using state, district and sub-district level systems and resources, besides envisaging one comprehensive strategic plan for the development of school education at the district level. The scheme is under the Ministry of Human Resource Development, Government of India. An amount of

Rs. 30780.81 crore has been sanctioned at Revised Estimates (RE) stage for the financial year 2018-19, out of which Rs. 29349.10 crore (95.35%) has been released as Central Share to States and Union Territories. The fund sharing pattern for the scheme between Centre and States is at present in the ratio of 90:10 for the 8 North-Eastern States and 3 Himalayan States viz. Jammu & Kashmir, Himachal Pradesh and Uttarakhand and 60:40 for all other States and Union Territories with Legislature.

Objectives

The major objectives of the scheme are provision of quality education and enhancing learning outcomes of students; bridging social and gender gaps in school education; ensuring equity and inclusion at all levels of school education; ensuring minimum standards in schooling provisions; promoting vocationalisation of education; support states in implementation of Right of Children to Free and Compulsory Education (RTE) Act, 2009; strengthening and up-gradation of State Councils of Educational Research and Training (SCERTs)/State Institutes of Education (SIE) and District Institute of Education and Training (DIET) as nodal agencies for teacher training. The main outcomes of the Scheme are envisaged as Universal Access, Equity and Quality, promoting Vocationalisation of Education and strengthening of Teacher Education Institutions (TEIs).

Main Features

1. The Integrated Scheme envisages the 'school' as a continuum from pre-school, primary, upper primary, secondary to senior secondary levels.
2. The vision of the Scheme is to ensure inclusive and equitable quality education from pre-school to senior secondary stage in accordance with the Sustainable Development Goal (SDG) for Education.
3. The shift in the focus is from project objectives to improving systems level performance and schooling outcomes which will be the emphasis of the combined scheme along-with incentivising states towards improving quality of education.
4. The SamagraShiksha is implemented as a centrally sponsored through a single State Implementation Society (SIS) at the State/UT level.
5. It is 100% centrally sponsored for Union Territories without Legislature. This is in accordance with the recommendations of the Sub-Group of Chief Ministers on Rationalization of Centrally Sponsored Schemes received in October 2015.
6. The main emphasis of the Scheme is on improving quality of school education by focussing on the two T's – Teacher and Technology.

7. The strategy for all interventions under the Scheme is to enhance the Learning Outcomes at all levels of schooling.
8. The scheme proposes to give flexibility to the States and UTs to plan and prioritize their interventions within the scheme norms and the overall resource envelope available to them.

8.2.6 School Education Shagun

The School Education Shagun is an over reaching initiative of the Department of School Education and Literacy under the Ministry of Human Resource Development, Government of India to improve the school education system. The initiative involves creating a repository for all portals and websites and online monitoring with the aim to capture and showcase innovations in the elementary sector of school education and continuously monitoring of the SarvaShiksha.

Objectives

Keeping in tune with the spirit of convergence in policy intervention through introduction of the SamagraShiksha, the School EducationShagun platform provides single point access to all portals and websites of the department. Relevant information pertaining to more than 1.5 million schools, 9 million teachers and 250 million students can be accessed through this platform. Recourse to this seamless and single source of access to information for all activities relating to school education will immensely benefit all the stakeholders. Parents and the general public will get comprehensive information on the school next door and will also have the option of giving feedback to the authorities on any pertinent issue thereby enhancing credibility and accountability. Teachers and heads of schools will be empowered to improve their classroom teaching by accessing effective teaching techniques Students will have access to e-content and learning portals. The researcher will have recourse to a vast reservoir of data on all aspects of school education. All these will help in achieving the vision of an accessible, inclusive and quality education system.

Main Features

1. As part of an effective monitoring system real time data from each and every school is being collected through the UDISE+ system.
2. Detailed geographical, topographical and other vital information relating to the schools are provided to the general public through the School GIS system.

3. The Data Analytics site collates the data in an organised format to use it for analysis and evidence based decision making.
4. The PMS online monitoring system tracks the physical progress of the projects and the flow of funds to and expenditure incurred by the States and UTs. The Shagun online monitoring system collects information on several macro parameters relating to School Education system of the States and UTs.
5. The Performance Grading Index (PGI) is an automated system which grades the States and UTs on the basis of 70 indicators.
6. The e-learning platforms like e-Pathshala and National Repository of Open Educational Resources (NROER) are provided by the NCERT.
7. Digital Infrastructure for Knowledge Sharing (DIKSHA), a joint initiative of the States, UTs and the Central Government, is also a repository of e-Learning contents for students and teachers.

8.3 □ Draft National Education Policy 2019

The Committee for Draft National Education Policy (Chairman: Dr. K. Kasturirangan) submitted its report on May 31, 2019. The Committee was constituted by the Ministry of Human Resource Development in June 2017. The report proposes an education policy, which seeks to address the challenges of: (i) access, (ii) equity, (iii) quality, (iv) affordability, and (v) accountability faced by the current education system.

The draft Policy provides for reforms at all levels of education from school to higher education. It seeks to increase the focus on early childhood care, reform the current exam system, strengthen teacher training, and restructure the education regulatory framework. It also seeks to set up a National Education Commission, increase public investment in education, strengthen the use of technology and increase focus on vocational and adult education, among others. Key observations and recommendations on School Education include:

Early Childhood Care and Education: In addition to problems of access, the Committee observed several quality related deficiencies in the existing early childhood learning programmes. These include: (i) curriculum that doesn't meet the developmental needs of children, (ii) lack of qualified and trained teachers, and (iii) substandard pedagogy. Currently, most early childhood education is delivered through anganwadis and private-preschools. However, there has been less focus on the educational aspects of early

childhood. Hence, the draft Policy recommends developing a two-part curriculum for early childhood care and education. This will consist of: (i) guidelines for up to three-year-old children (for parents and teachers), and (ii) educational framework for three to eight-year-old children. This would be implemented by improving and expanding the anganwadi system and co-locating anganwadis with primary schools.

The Right to Education Act, 2009 (RTE Act): Currently, the RTE Act provides for free and compulsory education to all children from the age of six to 14 years. The draft Policy recommends extending the ambit of the RTE Act to include early childhood education and secondary school education. This would extend the coverage of the Act to all children between the ages of three to 18 years.

In addition, the draft Policy recommends that the recent amendments to the RTE Act on continuous and comprehensive evaluation and the no detention policy must be reviewed. It states that there should be no detention of children till class eight. Instead, schools must ensure that children are achieving age-appropriate learning levels.

Curriculum framework: The current structure of school education must be restructured on the basis of the development needs of students. This would consist of a 5-3-3-4 design comprising: (i) five years of foundational stage (three years of pre-primary school and classes one and two), (ii) three years of preparatory stage (classes three to five), (iii) three years of middle stage (classes six to eight), and (iv) four years of secondary stage (classes nine to 12).

The Committee noted that the current education system solely focuses on rote learning of facts and procedures. Hence, it recommends that the curriculum load in each subject should be reduced to its essential core content. This would make space for holistic, discussion and analysis-based learning.

School exam reforms: The Committee noted that the current board examinations: (i) force students to concentrate only on a few subjects, (ii) do not test learning in a formative manner, and (iii) cause stress among students. To track students' progress throughout their school experience, the draft Policy proposes State Census Examinations in classes three, five and eight. Further, it recommends restructuring the board examinations to test only core concepts, skills and higher order capacities. These board examinations will be on a range of subjects. The students can choose their subjects, and the semester when they want to take these board exams. The in-school final examinations may be replaced by these board examinations.

School infrastructure: The Committee noted that establishing primary schools in every habitation across the country has helped increase access to education. However, it has led to the development of very small schools (having low number of students). The small size of schools makes it operationally complex to deploy teachers and critical physical resources. Therefore, the draft Policy recommends that multiple public schools should be brought together to form a school complex. A complex will consist of one secondary school (classes nine to twelve) and all the public schools in its neighbourhood that offer education from pre-primary till class eight.

The school complexes will also include anganwadis, vocational education facilities, and an adult education centre. Each school complex will be a semi-autonomous unit providing integrated education across all stages from early childhood to secondary education. This will ensure that resources such as infrastructure and trained teachers can be efficiently shared across a school complex.

Teacher management: The Committee noted that there has been a steep rise in teacher shortage, lack of professionally qualified teachers, and deployment of teachers for non-educational purposes. The draft Policy recommends that teachers should be deployed with a particular school complex for at least five to seven years. Further, teachers will not be allowed to participate in any non-teaching activities (such as cooking mid-day meals or participating in vaccination campaigns) during school hours that could affect their teaching capacities.

For teacher training, the existing B.Ed. programme will be replaced by a four-year integrated B.Ed. programme that combines high-quality content, pedagogy, and practical training. An integrated continuous professional development will also be developed for all subjects. Teachers will be required to complete a minimum of 50 hours of continuous professional development training every year.

Regulation of schools: The draft Policy recommends separating the regulation of schools from aspects such as policymaking, school operations, and academic development. It suggests creating an independent State School Regulatory Authority for each state that will prescribe basic uniform standards for public and private schools. The Department of Education of the State will formulate policy and conduct monitoring and supervision.

8.4 Healthcare

Abstract Rural Health is one of vital elements of rural life. India being a nation of villages requires an intensive approach towards rural health. Nearly 75 per cent of health

infrastructure and other health resources are concentrated in urban areas. Even if several government programmes for growth of rural healthcare have been initiated, the procedural delay in implementation leads to its ineffectiveness. Rural areas have been infected with various contagious diseases like diarrhea, amoebiasis, typhoid, infectious hepatitis, worm infestations, measles, malaria, tuberculosis, whooping cough, respiratory infections, pneumonia and reproductive tract infections. The insanitary conditions of households aggravate expansion of these diseases which is further promoted by apathy of people and government. Although unit level institution under rural healthcare takes care of sanitation through its outreach services yet, there is a long milestone to upgrade our health scenario. Rural Health Care services in India are mainly based on Primary health care, which envisages attainment of healthy status for all. Major problems faced by rural health sector in India are mentioned below.

1. Inefficient physical infrastructure,
2. Underutilisation of existing rural hospitals,
3. Inadequate human resources,
4. Apathetic attitude of medical professionals,
5. Dominance of unregulated Private medical professionals,
6. Non-Preparedness to fight with epidemic in rural areas.
7. High neonatal mortality,
8. Inequitable immunization,
9. Inclination towards Home-based deliveries,
10. Lack of coordination between medical research institution and health service delivery institution and
11. Lack of community participation.

The importance of health in economic and social development and improving the quality of life has been recognised by the Government of India. There the government has made several interventions.

8.5 **National Rural Health Mission**

The National Rural Health Mission (NRHM) was launched on 12th April 2005, to provide accessible, affordable and quality health care to the rural population, especially the

vulnerable groups. Under the NRHM, the Empowered Action Group (EAG) States, including Bihar, Jharkhand, Uttar Pradesh, Uttarakhand Madhya Pradesh, Chhattisgarh, Odisha and Rajasthan, as well as north-eastern states, Jammu and Kashmir and Himachal Pradesh have been given special focus. As per the 12th Plan document of the Planning Commission, the flagship programme of NRHM will be strengthened under the umbrella of National Health Mission. The focus on covering rural areas and rural population will continue along with up scaling of NRHM to include non-communicable diseases. The mission aims to raise public spending on the health sector to 2-3% of the Gross Domestic Product (GDP), by undertaking architectural correction of the health system and promote policies that strengthen public health management and service delivery in the country. At the National level, the NHM has a Mission Steering Group (MSG) headed by the Union Minister for Health & Family Welfare and an Empowered Programme Committee (EPC) headed by the Union Secretary for Health & FW. The EPC will implement the Mission under the overall guidance of the MSG. At the State level, the Mission would function under the overall guidance of the State Health Mission headed by the Chief Minister of the State. The functions under the Mission would be carried out through the State Health & Family Welfare Society. The National Health Mission (NHM) was launched by the government of India in 2013 subsuming the National Rural Health Mission and National Urban Health Mission. It was further extended in March 2018, to continue until March 2020.

The Mission relates health to segments of nutrition, sanitation, hygiene and safe drinking water. It also aims at bringing the Indian systems of medicine in the mainstream to provide better health care. Some major programmes associated with the NRHM are:-

- Reproductive and Child Health Programme
- National Vector Borne Disease Control Programme
- National Programme for Control of Blindness
- National Leprosy Eradication Programme
- Integrated Disease Survey Programme

Objectives

NRHM seeks to provide equitable health care to the rural population, especially the vulnerable groups. The thrust of the mission is on establishing a fully functional, community owned, decentralised health delivery system with inter-sectoral convergence at all levels, human resources management, community involvement, rigorous monitoring and evaluation against standards, innovations and flexible financing and also interventions for improving the

health indicators to ensure simultaneous action on a wide range of determinants of health such as water, sanitation, education, nutrition, social and gender equality.

NRHM focuses on Reproductive, Maternal, Newborn, Child Health and Adolescent Services. The emphasis here is on strategies for improving maternal and child health through a continuum of care and the life cycle approach. It recognises the inextricable linkages between adolescent health, family planning, maternal health and child survival. Moreover, the linking of community and facility-based care and strengthening referrals between various levels of health care system to create a continuous care pathway is also to be focussed.

Main Features

1. To train and enhance capacity of Panchayat Raj Institutions (PRIs) to own, control and manage public health services.
2. To promote access to improved healthcare at household level through the female health activist, i.e. Accredited Social Health Activists (ASHA). ASHA is the first port of call for any health related demands of deprived sections of the population, especially women and children, who find it difficult to access health services in rural areas.
3. Health Plan for each village through Village Health Committee of the Panchayat along with preparation and implementation of an inter-sectoral District Health Plan prepared by the District Health Mission, including drinking water, sanitation & hygiene and nutrition. Integrating vertical Health and Family Welfare Programmes at National, State, Block, and District levels.
4. To strengthen existing PHCs and CHCs, and provision of 30- 50 bedded.
5. The Rogi Kalyan Samiti (Patient Welfare Committee)/ Hospital Management Society is a management structure that acts as a group of trustees for the hospitals to manage the affairs of the hospital. Financial assistance is provided to these Committees through untied fund to undertake activities for patient welfare.
6. To strengthen capacities for data collection, assessment and review for evidence based planning, monitoring and supervision.
7. To develop capacities for preventive health care at all levels for promoting healthy life styles, reduction in consumption of tobacco and alcohol etc.

8. To promote public-private partnerships for achieving public health goals and also promoting non-profit sector particularly in under-served areas.
9. Regulation of private sector including the informal rural practitioners to ensure availability of quality service to citizens at reasonable cost and revitalising local health traditions including AYUSH services.
10. The NRHM has provided health care contractors to under-served areas, and has emphasised upon training to expand the skill of doctors and capacity building of nursing staff and auxiliary workers such as Auxiliary Nurse Midwives (ANMs).
11. To reorient medical education to support rural health issues including regulation of Medical care and Medical Ethics.
12. Effective and viable risk pooling and social health insurance to provide health security to the poor by ensuring accessible, affordable, accountable and good quality hospital care.

8.6 Ayushman Bharat Yojana

The Ayushman Bharat Yojana or Pradhan Mantri Jan Arogya Yojana (PMJAY) or National Health Protection Scheme is a centrally sponsored scheme launched in 2018, under the Ayushman Bharat Mission of Ministry of Health and Family Welfare (MoHFW) in India. 26 states and union territories accepted the scheme except four states: Delhi, Odisha, West Bengal and Telangana. More than a lakh (100,000) people have taken benefit of the scheme till October 2018. By 26th November 2018 more than 825,000 e-cards had been generated and there was a push to recruit more private hospitals to the scheme.

Objectives

The scheme aims at making interventions in primary, secondary and tertiary care systems, covering both preventive and promotive health, to address healthcare holistically. It is an umbrella of two major health initiatives namely, Health and Wellness centres and National Health Protection Scheme (NHPS). Ayushman Bharat-National Health Protection Scheme, which will cover over 10 crore (one hundred million) poor and vulnerable families (approximately 50 crore (five hundred million) beneficiaries) providing coverage up to 5 lakh rupees (\$7,100) per family per year for secondary and tertiary care hospitalisation. In case of Health and Wellness Centre Rs. 1200 crore (\$170 million) allocated for 1.5 lakh

(150,000) health and wellness centres, Under this 1.5 lakh centres will be setup to provide comprehensive health care, including for non-communicable diseases and maternal and child health services, apart from free essential drugs and diagnostic services.

Main Features

Ayushman Bharat consists of two major elements.

1. National Health Protection Scheme

- Benefits of the scheme are portable across the country and a beneficiary covered under the scheme will be allowed to take cashless benefits from any public or private empaneled hospitals across the country.
- It will be an entitlement based scheme with entitlement decided on the basis of deprivation criteria in the Socio-Economic Caste Census (SECC) database. It will target about 10.74 crore poor, deprived rural families and identified occupational category of urban workers' families as per the latest SECC data covering both rural and urban.
- One of the core principles of Ayushman Bharat - National Health Protection Mission is to co-operative federalism and flexibility to states.
- For giving policy directions and fostering coordination between Centre and States, it is proposed to set up Ayushman Bharat National Health Protection Mission Council (AB-NHPMC) at apex level Chaired by Union Health and Family Welfare Minister. States would need to have State Health Agency (SHA) to implement the scheme.
- Covering almost all secondary and many tertiary hospitalisations (except a negative list).

2. Wellness Centres

- The government will upgrade existing Public Health Centres to Wellness Centres.
- Contribution of private sector and philanthropic institutions in adopting these centres is also envisaged.
- The list of services to be provided at Health and Wellness Centre include:
 1. Pregnancy care and maternal health services
 2. Neonatal and infant health services

3. Child health
4. Chronic communicable diseases
5. Non-communicable diseases
6. Management of mental illness
7. Dental care
8. Geriatric care emergency medicine

8.7 Rural Healthcare System

The health care infrastructure in rural areas has been developed as a three tier system as follows.

Centre	Population Norms	
	Plain Area	Hilly/Tribal/ Difficult Area
Sub Centre	5000	3000
Primary Health Centre	30,000	20,000
Community Health Centre	1,20,000	80,000

1. Sub Centres

The Sub Centre(SC) is the most peripheral and first contact point between the primary health care system and the community. Sub Centres are assigned tasks relating to interpersonal communication in order to bring about behavioral change and provide services in relation to maternal and child health, family welfare, nutrition, immunization, diarrhoea control and control of communicable diseases programmes.

Each Sub Centre is required to be manned by at least one auxiliary nurse midwife (ANM) / female health worker and one male health worker. Under National Rural Health Mission (NRHM), there is a provision for one additional second ANM on contract basis. One lady health visitor (LHV) is entrusted with the task of supervision of six Sub Centres. Government of India bears the salary of ANM and LHV while the salary of the Male Health Worker is borne by the State governments.

There were 1, 56,231 Sub Centres functioning in the country as on 31st March, 2017. There is significant increase in the number of Sub Centres in the States of Rajasthan (3894), Gujarat (1808), Chhattisgarh (1368), Karnataka (1238), Jammu & Kashmir (1088), Odisha (761), Tripura (448), Madhya Pradesh (318) and Kerala (286).

2. Primary Health Centre

The Primary Health Centre (PHC) is the first contact point between village community and the medical officer. The PHCs were envisaged to provide an integrated curative and preventive health care to the rural population with emphasis on preventive and promotive aspects of health care. The PHCs are established and maintained by the State governments under the Minimum Needs Programme (MNP)/ Basic Minimum Services (BMS) Programme.

As per minimum requirement, a PHC is to be manned by a medical officer supported by 14 paramedical and other staff. Under NRHM, there is a provision for two additional staff nurses at PHCs on contract basis. It acts as a referral unit for 6 Sub Centres and has 4-6 beds for patients. The activities of PHC involve curative, preventive, promotive and family welfare services.

There were 25,650 PHCs functioning in the country as on 31st March, 2017. At the national level, there is an increase of 2414 PHCs by 2017 as compared to that existed in 2005. Significant increase is observed in the number of PHCs in the States of Karnataka (678), Assam (404), Rajasthan (366), Jammu & Kashmir (303) and Chhattisgarh (268) and Bihar (251).

3. Community Health Centre

The Community Health Centre (CHC) are being established and maintained by the State government under MNP/BMS programme. As per minimum norms, a CHC is required to be manned by four medical specialists i.e. surgeon, physician, gynecologist and pediatrician supported by 21 paramedical and other staff. It has 30 in-door beds with one OT, X-ray, labour room and laboratory facilities. It serves as a referral centre for 4 PHCs and also provides facilities for obstetric care and specialist consultations.

As on 31st March, 2017, there were 5,624 CHCs functioning in the country. Significant increase is observed in the number of CHCs in the States of Uttar Pradesh (436), Tamil Nadu (350), West Bengal (254), Rajasthan (253), Odisha (139), Jharkhand (141), Kerala (126), Gujarat (91) and Madhya Pradesh (80).

8.8 Micro Credit

Micro-finance originated in Bangladesh with the institution of the Grameen Bank in 1983. The basic principles of micro finance that distinguish it from the earlier modes of credit delivery are small amounts of loan, lack of physical collateral but emphasis on social collateral or peer monitoring and focus on women borrowers. With these three factors, micro finance is expected to effectively tackle the three problems that are often encountered in any credit delivery programme designed for the poor namely, targeting, screening of borrowers, and enforcement of the credit contract. Under the model of micro finance promoted by the Grameen Bank, women borrowers are organised into Self-Help Groups (SHGs), which would be entitled to borrow from the lending institution either for their individual or group requirements. Such groups are normally created by women from similar socio-economic background that strengthen the solidarity among these women. The involvement of the entire group at each stage of seeking the loan and its repayment is essential in ensuring peer monitoring. In several countries across the world, micro finance originated from the activity of non-governmental organisations (NGOs) that were aided largely or partly by foreign donors for their lending operations.

Inclusive development is one of the critical determinants of national growth and its importance increases manifold in a developing and vast country like India. The poor living in villages represent the country's vulnerability, arising out of their unequal access to financial literacy, products and services. As in other parts of the world, In India also micro finance is looked upon as means of credit-based poverty alleviation and financial inclusion. National Bank for Agriculture and Rural Development (NABARD), through its' Micro Credit Innovations Department has been the major facilitator and mentor of microfinance initiatives in the country. The overall vision of the department is to facilitate sustained access to financial services for the unreached poor in rural areas through various microfinance innovations in a cost effective and sustainable manner. NABARD has been continuously focusing on bringing in various stakeholders on a common platform and building their capacities to take the initiatives forward. It has been working towards bringing the excluded population into the formal banking system by addressing both demand and supply side constraints. As on 31st March 2018, there are 8.7 million SHGs out of which 5.02 million SHGs have outstanding bank loans of R75598 Cr to the Banks. The total deposits of SHGs with banks was to the tune of R19592 crore. There are more than 100 Scheduled

Banks, 300 DCCBs, 27 State Rural livelihood Missions and over 5000 NGOs engaged in the Self Help Group Bank Linkage Programme.

Some of the major initiatives have been mentioned below.

1. The Self Help Groups Bank Linkage Programme (SHGBLP) has evolved as a cost-effective mechanism for providing financial services to the unreached and underserved poor households. It started simply as a bank outreach programme during 1992-93, but through the passage of time slowly metamorphosed into a holistic programme for financial, economic, social and of late, technological capital building in rural areas. The SHG movement started as a link between the unbanked and the formal banking system to cater to the credit needs of the poor. The SHGs which follow ‘Panchsutras’ viz. conduct of regular group meetings, regular savings within the group, internal lending based on the demand of members, timely repayment of loan and maintenance of proper books of accounts are considered to be of good quality and over years have proved themselves to be good customers of Banks.
2. Financing of **Joint Liability Groups (JLGs)** was introduced as a pilot project in 2004-05. The scheme was later mainstreamed for the banking system in the year 2006. JLGs basically are Credit groups of small/marginal/tenant farmers/asset less poor who do not have proper title of their farmland. Apart from extending refinance support of 100% to the financing Banks, NABARD also extends financial support for awareness creation and capacity building of all stakeholders under the Scheme. NABARD also extends grant support for formation and nurturing of JLGs to Banks and other JLG Promoting Institutions (JLGPIs).
3. Scheme for promotion of Women SHGs (WSHGs) in backward & LWE districts of India in association with Govt. of India is being implemented across 150 backward and Left Wing Extremism (LWE) affected districts of the country since March-April 2012. The scheme aims at saturating the districts with viable and self-sustainable WSHGs by involving anchor agencies who shall promote & facilitate credit linkage of these groups with Banks, provide continuous handholding support, enable their journey to livelihoods and also take the responsibility for loan repayments. Under the scheme, in addition to working as an SHPI, the

anchor agencies are also expected to serve as a banking / business facilitator for the nodal implementing banks.

4. Especially in the resource poor regions of the country identification of appropriate livelihood opportunities, improvement of their skills, mentoring, providing market linkages and enhanced credit access are more important than having a narrow focus on access to micro credit. NABARD started the Livelihood and Entrepreneurship Development Programme (LEDP) in 2015 for providing end-to-end solutions for sustainable livelihoods in the rural areas.
5. EShakti, the digitisation project for SHGs was taken up by NABARD in 2015 as a pilot project. The project aims to facilitate banks to expand their SHG portfolio by enabling mobile based book keeping of the SHGs and forging e-links of such SHGs with banks in terms of providing dynamic grading of the SHGs.
6. Other than championing the movement and providing promotional support, NABARD has enabled an entire ecosystem of support through policy advocacy at Bank and Government level, organising and sponsoring a large number of training & capacity building programmes, seminars & workshops for the benefit of all the stakeholders viz. the bankers, the Government agencies, the NGO partners and more importantly the SHG members themselves. Banks are also provided 100% refinance support by NABARD for financing of SHGs.
7. The Micro Units Development & Refinance Agency Ltd (MUDRA), NBFC set up by the Government of India in 2015 with its total focus on microenterprise, has to hand-hold and facilitate the development process of smaller Micro Finance Institutions (MFIs) and notfor profit MFIs as they are the ones who operate in remote locations and with the underserved populations.
8. RBI has taken steps to expand the banking space to ensure greater financial inclusion and in November 2014 issued guidelines for setting up Small Finance Banks and Payments Banks. On 16 September 2015, RBI granted in-principle approval to ten entities to start Small Finance Banks (SFBs) which would essentially undertake basic banking activities that include: accepting deposits, credit, insurance, remittances etc. and lending to under-served sections. 1.13 The establishment of Small Finance Banks.

8.9 □ Provision of Urban Amenities to Rural Areas

The Provision of Urban Amenities to Rural Areas (PURA) is a strategy for rural development in India. In pursuance to the announcement of Prime Minister on Independence Day, 2003, the Planning Commission submitted a proposal for approval of the Government to implement the PURA scheme. The scheme was approved by the Government in 'in-principle' in January 2004. Subsequently, Ministry of Rural Development implemented (MoRD) the PURA scheme on a pilot basis in seven clusters for a period of three years (2004-05 to 2006-07). It was approved with retrospective effect by the Cabinet in its meeting on 16.03.06 with the direction to restructure the PURA scheme. Based on the experience learnt during the pilot phase, evaluation conducted by the National Institute of Rural Development (NIRD) of pilot phase and the technical support of Asian Development Bank (ADB), the PURA scheme has been restructured. The restructured PURA scheme has been approved by the Government for implementation on a pilot basis during the 11th five year plan. The PURA Scheme envisages rapid growth of rural India, given enhanced connectivity and infrastructure, the rural population would be empowered and enabled to create opportunities and livelihoods for themselves on a sustainable and growing basis. Funding for projects under the PURA scheme may come from four sources: MoRD schemes, non-MoRD schemes, private financing and Capital Grant under the PURA. The mission of the restructured PURA Scheme (2012) is holistic and accelerated development of compact areas around a potential growth centre in a Gram Panchayat (or cluster of contiguous Gram Panchayats) through the Public-Private Partnership (PPP) framework. The focus was on water supply, sanitation, and physical infrastructure rather than knowledge connectivity. The rural ministry plans to reform one of its ambitious yet not so successful programme – Provision of Urban amenities in Rural Areas (PURA) – to facilitate creation of urban infrastructure in around 2,000 new towns that have been identified by the 2011 decadal census. It is also trying to restructure the old PURA objectives. The Prestigious scheme proposed providing livelihood and urban amenities in compact areas around a potential growth center in Gram Panchayats through Public Private Partnership (PPP) framework to provide guarantee employment to rural areas so that they could have an assured income for at least 100 days of a year.

Objectives

Lack of livelihood opportunities, modern amenities, and services necessary for decent living in rural areas results in a sense of deprivation and dissatisfaction amongst a large percentage of population and leads to migration of people to urban areas. In order to address these issues, the Government has, in the past, launched various schemes at different points of time. However, due to several reasons, the impact has not been very visible. Hence, in spite of several schemes, there continued to be a substantial flow of migration from the rural to urban areas. In order to catalyze the convergence between different infrastructure schemes and create a new model for management of urban services in the rural areas, the PURA Scheme has been developed. The basic vision of PURA is a holistic and accelerated development of compact areas around a potential growth centre in a Gram Panchayat (or a group of Gram Panchayats) through Public Private Partnership (PPP) framework for providing livelihood opportunities and urban amenities to improve the quality of life in rural areas. The concept of development focuses, here, on the attempt to bridge the rural-urban divide, thereby reducing migration from rural to urban areas.

Main Features

1. Simultaneous delivery of key infrastructure in villages leading to optimal use of resources
2. Provision of funds for operation and maintenance of assets for ten years post-construction, along with capital investment for creation of assets.
3. Transformation of several schemes into a single project, to be implemented as per set standards in a defined timeframe, with the requirements of each scheme being kept intact
4. Combining livelihoods creation with infrastructure development
5. Enforcement of standards of service delivery in rural areas almost at par with those obtaining in urban areas
6. Enforcement of service standards through a legally binding arrangement
7. To be implemented and managed by the private sector on considerations of economic viability but designed in a manner whereby it is fully aligned with the overall objective of rural development.

8. An illustrative list of amenities and economic activities proposed to be provided under the PURA are as follows:-

Amenities to be provided under MoRD Schemes	Amenities to be provided under Non-MoRD Schemes	Add-on Projects (revenue earning, people centric projects)
Water and sewerage Construction and maintenance of village streets Drainage Solid waste management Skill development Development of economic activities	Village street lighting Telecom, Electricity etc.	Village linked tourism Integrated rural hub, rural market Agriculture– Common service centre, warehousing, etc. Any other rural-economybased project

9. There exist two main relationships in the project, viz., (1) Relationship between the Gram Panchayat, the District Rural Development Authority (DRDA), and Project Special Purpose Vehicle (SPV) for the development of the PURA Project; and (2) Relationship between the Ministry of Rural Development (MoRD), the State Government and the Project SPV.

Unit 9 □ Rural Governance: Panchayati Raj System

Structure

- 9.1 Rural Governance: Panchayati Raj System in India**
- 9.2 Origin and Evolution of Local Self-governance in India**
- 9.3 Recommendations of the Balwant Rai Mehta Committee**
- 9.4 Recommendations of the Asoka Mehta Committee**
- 9.5 The 64th and 65th Constitutional Amendment Bills**
- 9.6 The 73rd Constitutional Amendment Bill**
- 9.7 Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA)**
- 9.8 The Three Tier System**
- 9.9 Number of District, Intermediate and Village Panchayats**

9.1 □ Rural Governance: Panchayati Raj System in India

Governance implies those institutions and processes through which government, civil society organizations and private sector interact in shaping public affairs and through which citizens articulate their interests, mediate their differences and exercise their political, social and economic rights¹. To understand major governance related issues at village level, we should know how it can be measured. Governance at the village level can be measured against the benchmarks such as delivery of basic services, transparency in functioning of Gram Panchayat and local government department, level of corruption and opportunities for citizens to participate principally to ensure accountability. An institutional set-up that ensures good governance usually has the following features:

1. Participation- All men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their interests. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.
2. Rule of Law- Legal frameworks should be fair and enforced impartially, particularly laws on human rights.

3. Transparency- Transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.
4. Responsiveness- Institutions and processes try to serve all stakeholders.
5. Consensus Orientation- Good governance mediates differing interests to reach a broad consensus on what is in the best interests of the group and where possible, on policies and procedures.
6. Equity- All men and women have opportunities to improve or maintain their well-being.
7. Effectiveness and Efficiency- Processes and institutions produce results that make the best use of resources.
8. Accountability- Decision-makers in government, the private sector and civil society organisations are accountable to the public, as well as to the institutional stakeholders. This accountability differs depending on the organisation and whether the decision is internal or external to an organisation.
9. Strategic Vision- Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.

The Constitution of India provides a clear mandate for democratic decentralisation not only through the Directive Principles of State Policy which exhorts the State to promote Panchayati Raj Institutions but more specifically now through the 73rd and 74th Amendments of the Constitution which seek to create an institutional framework for ushering in grass root democracy through the medium of genuinely self-governing local bodies in both urban and rural areas of the country. However, despite the constitutional mandate, the growth of self-governing local bodies as the third tier of governance in the country has been uneven, halting and slow.

9.2 □ Origin and Evolution of Local Self-governance in India

The concept of local self-governance is not new in our country and there is mention of community assemblies in the Vedic texts. Around 600 B.C. the territory north of the river

Ganga comprising modern day north Bihar and eastern Uttar Pradesh was under the suzerainty of small republics called Janapadas. In these Janapadas, the affairs of the State were conducted by an assembly consisting of local chieftains. In the post Mauryan times as well, there existed republics of Malavas and the Kshudrakas where decisions were taken by “sabhas”. The Greek Ambassador, Megasthenes, who visited the court of Chandragupta Maurya in 303 B.C. described the City Council which governed Pataliputra – comprising six committees with 30 members. Similar participatory structures also existed in South India. In the Chola Kingdoms, the village council, together with its sub-committees and wards, played an important part in administration, arbitrated disputes and managed social affairs. They were also responsible for revenue collection, assessing individual contribution and negotiating the collective assessment with the King’s representative. They had virtual ownership of village waste land, with right of sale, and they were active in irrigation, road building and related work. Their transactions, recorded on the walls of village temples, show a vigorous community life and are a permanent memorial to the best practices in early Indian polity.

B. British Period

The present structure of Local Self Government institutions took shape in 1688 when the British established a Municipal Corporation at Madras which was followed by creation of similar bodies at Bombay and Calcutta (1726). A corresponding effective structure for rural areas came up with the enactment of the Bengal Local Self Government Act, 1885 which led to the establishment of district local boards across the entire territory of the then Bengal province. These boards comprised nominated as well as elected members with the District Magistrate as Chairman who was responsible for maintenance of rural roads, rest houses, roadside lands and properties, maintenance and superintendence of public schools, charitable dispensaries and veterinary hospitals. Within a span of five years, a large number of district boards came into existence in other parts of the country, notably Bihar, Orissa, Assam and North West Province. The Minto-Morley Reforms, 1909 and the Montague Chelmsford Reforms, 1919, when Local Self Government became a transferred subject, widened the participation of people in the governing process and, by 1924-25, district boards had a preponderance of elected representatives and a non-official Chairman. This arrangement continued till the country’s Independence in 1947 and thereafter till the late 1950s. During the 1920s Mahatma Gandhi made a strong plea for introduction of self-government in the villages with a view to improve their economy. He had pointed out that independence must begin at the bottom. Every village should be a republic or a Panchayat

having full Panchayat powers. The greater the power of Panchayats is the better for the people. However, the British Government did not pay much heed. It was only in 1937 when the Congress Ministry was formed that attention was paid to the establishment of the Gram Panchayats and their reorganization. However, before they could achieve anything substantial in this direction, the British declared India as a Party to war without consulting the popular ministries. This resulted in the resignation of the Congress Ministries. These developments gave a severe blow to the movement for revival of Panchayats. Soon after World War II, the elections to the central and such; provincial legislatures were held and the Congress was returned to the power. Once again, it paid attention to the issue of revival of Panchayats and passed numerous Acts. When India became independent in 1947 perhaps one-third of the villages of India had traditional Panchayats and their functioning was not up to the mark.

C. Post-independence Period

The debates in the Constituent Assembly indicate that the leaders at that time were hesitant to introduce a wholesale change in the then prevailing administrative system and as a compromise, it was agreed that Panchayati Raj Institutions would find place in the Directive Principles of State Policy (Part IV, Article 40) which, inter alia, provides that the State shall take steps to organise village panchayats and endow them with such powers and authority as may be necessary to enable them to function as units of self-government. But there was a general view that local government institutions would be creatures of the State Legislature and hence there was no whittling down of the powers of the State Government.

In compliance with the provisions of the Directive Principles of State Policy pertaining to establishment of village panchayats as units of self-government, an ambitious rural sector initiative, the Community Development Programme, was launched in 1952. Its main thrust was on securing socio-economic transformation of village life through people's own democratic and cooperative organisations with the government providing technical services, supply and credit. Under this programme 100 to 150 villages formed a Community Development Block and participation of the whole community was the key element of this experiment which strengthened the foundation of grassroots democracy. In 1953, the National Extension Service was introduced which was an amplified version of the Community Development Programme and aimed at transferring scientific and technical knowledge to agricultural, animal husbandry and rural craft sectors. The underlying theme was extension of innovative pilot projects and while the programme did not have any content of elected democratic institutions since they were run by government functionaries with the help of ad hoc semi-popular bodies like VikasMandal and PrakhandaSamiti, yet in the midst of the euphoria

prevailing immediately after Independence in the country, they, to a great extent, caught the attention of the rural masses.

9.3 □ Recommendations of the Balwant Rai Mehta Committee

In 1956, when the Second Five Year Plan was launched, it recommended that the Village Panchayats should be organically linked with popular organisations at higher levels and in stages the democratic body should take over the entire general administration and development of the district or the sub-division excluding functions such as law and order, administration of justice and selected functions pertaining to revenue administration. To operationalise this initiative, Government appointed a committee under the chairmanship of Shri Balwantrai Mehta in 1957. The Balwantrai Mehta Committee offered two broad directional thrusts.

1. There should be administrative decentralisation for effective implementation of the development programmes and the decentralised administrative system should be placed under the control of local bodies.
2. It recommended that the CD/NES blocks throughout the country should be designed as administrative democratic units with an elected PanchayatSamiti at this level to operate as a fulcrum of developmental activity in the area. This Samiti would need guidance of technical personnel in many matters. The PanchayatSamiti was also to be equipped with sources of income.

The recommendations also suggested reservation for SC/ST and women through co-option. In order to ensure coordination, the Committee recommended formation of a ZilaParishad at the district level just as an advisory body and a support structure. It would consist of all the Presidents of the PanchayatSamitis, Members of Legislative Assemblies and Members of Parliament with district level officers of the public health, agriculture, veterinary and education departments as members and the Collector as the chairman.

In 1969, the first Administrative Reforms Commission in its report on State Administration recommended that the main executive organ of the Panchayati Raj system should be located at the district level in the form of “ZilaParishad” and not at the Block level as PanchayatSamiti. It was of the view that the ZilaParishad would be in a better position to take a composite view of the resources and needs of the entire district and thus will be able to formulate a plan for the area.

By the 1960s, Gram Panchayats covered 90% of the rural population in the country. Out of 399 districts in existence, 262 Zila Parishads were also constituted with varying degrees of actual power. Although a number of Panchayat structures were set up in different States at all the three tiers, they had limited powers and resources and the essential idea that all developmental activity should flow only through the Block Panchayat Samitis lost ground. Moreover, important schemes like the SFDA, DPAP and ITDP were not brought within the purview of the elected Zila Parishad even in States like Maharashtra and Gujarat where effective financial decentralisation had taken place. Unfortunately, after the intensive stage of the Community Development programme, there was a visible trend towards centralisation. The net result was that, by the 1970s, these bodies remained in existence without adequate functions and authority. However, by end 1980s, except Meghalaya, Nagaland, Mizoram and the Union Territory of Lakshadweep, all other States and UTs had enacted legislation for the creation of PRIs. In 14 States/ UTs, there was a three-tier system, in 4 States/UTs it was a two-tier structure and in 9 States/ UTs only one tier functioned.

9.4 □ Recommendations of the Asoka Mehta Committee

In 1977, Government formed a committee under the chairmanship of Shri Asoka Mehta to go into the working of Panchayati Raj Institutions and to suggest measures to strengthen them into effective local apparatus for decentralised planning and development of the rural areas. This was considered necessary in view of the Government's high priority to rural development which included the need to increase agricultural production, create employment and eradicate poverty. The Asoka Mehta Committee was of the view that the democratic process could not stop at the state level. The committee was of the following opinions.

1. The concept of Panchayati Raj, like democracy at national and state levels, is both an end as well as a means. It was an inevitable extension of democracy to the grass roots which in turn makes it the base of the democratic pyramid of the country. In the end, Panchayati Raj should emerge as a system of democratic local government discharging developmental, municipal and ultimately regulatory functions.
2. Based on the Maharashtra-Gujarat model which was commended by the first Administrative Reforms Commission and a number of other committees, the Committee chose the district as the first point of decentralisation below the State level.

3. The next level of self-governing institutions recommended by this Committee was the MandalPanchayat which was to cover a population of around 10,000 to 15,000. It was thought that the cluster of villages falling in the jurisdiction of the Mandalpanchayat would turn into a growth centre.
4. As an ad hoc arrangement, the Committee recommended continuation of the PanchayatSamiti at the Block level, not as a unit of self-governance but as a nominated middle level support body working as an executing arm of the ZilaParishad. Similarly, at the village level it thought of a nominated village level committee consisting of (a) local member elected to MandalPanchayat, (b) local member elected to the ZilaParishad, and (c) a representative of small and marginal farmers.
5. In the total view of the set-up, the ZilaParishad was recommended to take up planning for the district as a whole, to coordinate the programmes and to guide the lower PRI tiers. There was recommendation for transfer of all development functions and related government staff to the control of the ZilaParishad.
6. The recommendations also called for creation of a machinery for taking up the district level planning exercise and for this it recommended stationing professionally qualified teams of experts at the district headquarters. The annual plan thus prepared had to be placed before the ZilaParishad for their comments/views.
7. To assist the ZilaParishad, it recommended creating a senior post known as the Chief Executive Officer who could provide support to the body in formulation and implementation of policies. In order to ensure effective coordination among officers posted at the district, this officer could be senior in rank to the District Collector.

Although a number of committees were formed between 1978 and 1986 to look into various aspects of strengthening the local self-governance institutions such as the committees under Shri C.H. Hanumantha Rao, Shri G.V.K. Rao and Shri L.M. Singhvi, with minor variations introduced by these subsequent committees in the 1980s, the recommendations of the Asoka Mehta Committee were generally well received and led many of the States to introduce appropriate amendments in their Panchayati Raj Acts. Karnataka, Maharashtra, Andhra Pradesh, West Bengal and Gujarat adopted the new arrangement, but U.P., Bihar, Orissa, Punjab and Haryana held back. Some of them did not hold elections even to the existing bodies. The Committee which submitted its report in 1978 was also of the view that

despite the rhetoric, Panchayat empowerment was not of much use unless it received Constitutional standing. Hence, there was need for introducing a Constitutional amendment on this subject. With some variations, these recommendations form the basis of the PRI format in existence in the country today.

9.5 □ The 64th and 65th Constitutional Amendment Bills

The next landmark in decentralised governance occurred with the 64th and 65th Constitutional Amendment Bills introduced in July 1989 by the Government of Shri Rajiv Gandhi. The basic provisions of the Bills were: (a) it should be mandatory for all States to set up PRIs/ULBs, (b) the elections to be conducted by the Election Commission, (c) tenure of Panchayats/ULBs to be five years and, if dissolved before time, fresh elections should be held within six months, (d) all seats (except those meant for the representatives of other institutions) to be filled through direct elections, (e) reservation of seats to be made for SC/ST/Women, (f) Local Bodies to be entrusted with more functions e.g. minor irrigation, soil conservation, bio-gas, health, benefits to SC/ST etc. (g) planning and budgeting systems be introduced at the panchayat level, (h) the State Legislature to authorise Panchayats/ULBs to levy taxes/tolls and fees, (i) a separate commission to review the Local Body finances, and (j) PRI/ULB accounts to be audited by the CAG. The Bill could however not be passed in the Rajya Sabha.

In 1990, a combined Constitution Amendment Bill, covering both PRIs and ULBs was tabled in Parliament. It was a skeleton legislation which left the details to be crafted by the State Governments in their State enactments; even matters concerning elections were left completely to the discretion of the State Government. With the dissolution of the Government, this Bill too lapsed.

9.6 □ The 73rd Constitutional Amendment Bill

Finally in 1992, after synthesising important features of the earlier exercises on this subject, Government drafted and introduced the 73rd Amendment Bill in Parliament which were passed in 1993. The 73rd Amendment to the Constitution constitutes a new chapter in the process of democratic decentralisation in the country. In terms of these amendments, the responsibility for taking decisions regarding activities at the grass root level which affect people's lives directly would rest upon the elected members of the people themselves.

Articles 243, 243A to 243-O were added as parts of newly inserted Part IX of the Constitution. The amendment took into consideration following aspects.

1. Article 243 B of the Constitution envisages that all the States/ UTs, except those with populations not exceeding 20 lakhs, will have to constitute a three-tier system of Panchayats i.e. at the village, intermediate and district levels. The electorates at Gram Panchayat level have been named as the Gram Sabha which elects the representatives to Gram Panchayat by way of direct election.
2. Article 243D provides for reservation of seats at all levels for Scheduled Castes (SCs), Scheduled Tribes (STs) and women. While the reservation for the SCs/ STs is as per their actual proportion in population of the concerned area, it is provided that not less than one-third of the total seats in all the tiers will be reserved for women. The States are empowered to reserve the offices of the Chairpersons at all the three tiers.
3. The Constitution now provides that every PRI shall continue for a period of five years. The States have also been empowered to allow the PRIs in their respective legislative Acts to levy, collect and appropriate several tolls and taxes.
4. With this the PRIs at all the tiers will be able to generate financial resources at local-level and make expenditure in the desired field as per locally-felt needs. The State laws may lay down the procedure to be followed, as well as the limits of such taxes/ levies. The State governments may also assign to the panchayats various taxes and duties collected by it. The State governments are required to appoint a State Finance Commission to review the financial position of the PRIs and make recommendations with regard to the distribution of net proceeds of taxes between the States and the PRIs, assignment of certain taxes exclusively to the PRIs and the grants-in-aid.
5. Another set of important changes made in the Constitution pertain to the elections to the PRIs. To ensure free and fair elections to these institutions, the 73rd Amendment provides for setting up of a State Election Commission in every State and the State Election Commissioner is appointed by the Governor of the State concerned. With a view to ensure the independence of the State Election Commission, it is laid down that the State Election Commissioner can be removed only in the same manner and on the same grounds as the Judge of a High Court.

6. These institutions are also responsible for implementation of schemes aimed at socio-economic development and exercise powers delegated in respect of 29 developmental items as prescribed in 11th Schedule of the Constitution. These items include: land improvement, irrigation, animal husbandry, fisheries, education, women and child development, etc.
7. As per Articles 243G and 243H, the PRIs are entrusted with the responsibility of preparing micro-plans for economic development, beginning at panchayat level.
8. The PRIs have been made responsible for preparing District, Block and Panchayat level plans for ensuring economic development in their respective areas. The flow of funds for economic development would be based on such plans. With the power to levy several taxes at Panchayat level, these provisions would empower the PRIs financially and make them self-reliant.

In totality, the intention of these amendments is to assign a position of command to them in the democratic framework of the country. But there seems to be an area of weakness in the constitutional scheme. Local governance being a State subject under Schedule VII, the scope of implementation of these provisions is, to a large extent, dependent on the intention and strength of the State Panchayati Raj enactment. The challenge is to ensure an architecture for the State law which is in total harmony with the spirit of the 73rd Amendment.

9.7 □ Panchayats (Extension to the Scheduled Areas) Act, 1996 (PESA)

Village level democracy became a real prospect for India in 1992 with the 73rd Amendment to the Constitution, which mandated that resources, responsibility and decision making be passed on from central government to the lowest unit of the governance, the Gram Sabha or the Village Assembly. A three tier structure of local self-governance was envisaged under this amendment. Since the laws do not automatically cover the scheduled areas, Panchayats (Extension to Scheduled Areas) Act, 1996 or PESA is a law enacted by the Government of India to cover the “Scheduled areas”, which are not covered in the 73rd Amendment or Panchayati Raj Act of the Indian Constitution. It was enacted on 24th December 1996 to enable Gram Sabhas to self-govern their natural resources. The Act extended the provisions of Panchayats to the tribal areas of nine states that have Fifth

Schedule Areas. Most of the North eastern states under Sixth Schedule Areas (where autonomous councils exist) are not covered by PESA, as these states have their own Autonomous councils for governance. The nine states with Fifth Schedule areas are: Andhra Pradesh, Chhattisgarh, Gujarat, Himachal Pradesh, Jharkhand, Maharashtra, Madhya Pradesh, Orissa and Rajasthan. It is an Act to provide for the extension of the provisions of Part IX of the Constitution relating to the Panchayats to the Scheduled Areas.

“Scheduled Areas” means the Scheduled Areas as referred to in Clause (1) of Article 244 of the Constitution. The Act extended the provisions of Panchayats to the tribal areas of nine states that have Fifth Schedule Areas.

Revised Reservation Policy for Women in Panchayati Raj Institutions, 2009

In 2009 the Union Cabinet of the Government of India approved 50% reservation for women in Panchayati Raj Institutions (PRI). The Indian states Andhra Pradesh, Bihar (first state among all to reserve 50% of seats for women), Chhattisgarh, Himachal Pradesh, Jharkhand, Kerala, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Sikkim, Tamil Nadu, Tripura, West Bengal and Uttarakhand have implemented 50% reservation for women in PRIs. The majority of candidates in these Panchayats are women. Currently 100% of elected members in Kodassery Panchayat in Kerala are women.

9.8 □ The Three Tier System

The states of Goa, Jammu and Kashmir, Mizoram, Meghalaya, Nagaland and Sikkim have two-tier system of panchayats, one at the village level and the second at the Zila or District level. In Jammu and Kashmir, block is the second level. In all other states Panchayati Raj Institutions have a three-tier system- village as first level, block or janapad as second level and zila or district as the third level.

1. Village Level

Village is the basic unit of Panchayati Raj Institutions. The word ‘village’ by and large synonymous with revenue estate. Through word ‘village’ use in singular it will also mean ‘villages’ when read in relevant context. An area recorded as revenue estate in revenue records of a district can only be called village. The unit of local government here is called gram panchayat. In the structure of the Panchayati Raj Institution, the gram panchayat is the lowest unit. The panchayats have two types of functions.

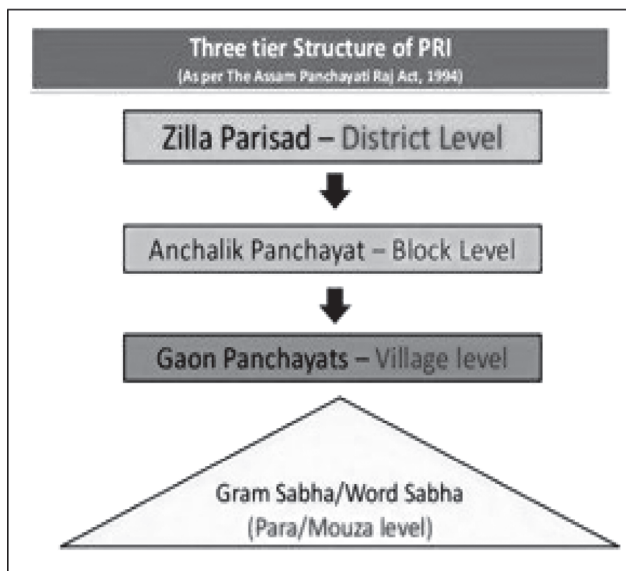
A. Mandatory Functions- Sanitation, conservancy and drainage, prevention of public nuisances, drinking water, construction and maintenance of village roads, construction and repair of public buildings, registration of births and deaths, opening and maintenance of cremation and burial grounds, rural electrification, poverty alleviation programme, preparation of annual budget and development plans, construction and maintenance of cattle sheds, ponds etc. social farm forestry, fuel and fodder, slaughter houses, public parks and playgrounds, agriculture, poultry and fisheries etc.

B. Discretionary Functions- Agriculture, animal husbandry and dairy development, minor irrigation, small scale industries, housing, electricity and non-conventional energy, rural development programmes, education cultural affairs and heritage, public health etc.

In addition, the village panchayats may be assigned additional functions by the state governments and ZilaParishads.

2. Block Level

Block or Union is the intermediate level or tehsil level of local self-government in rural India. There are a number of variations in nomenclature for block level panchayat. For



example in Andhra Pradesh, it is known as Mandal Praja Parishad, Anchalik Panchayat in Assam, Taluka Panchayat in Gujrat, Mandal Panchayat in Karnataka. In general it is known as Panchayat Samiti in Bihar, Jharkhand, Haryana, Himachal Pradesh, Tripura, West Bengal, Maharashtra, Orissa, Punjab and Rajasthan. The PanchayatSamiti has jurisdiction over the entire Block area excluding such portion of the Block area as is included in a Municipality

or is under the authority of a Municipal Corporation, a Cantonment Board or a Notified Area Committee constituted under any law for the time being in force. Usually, a PanchayatSamiti consists of 20 to 60 villages depending on area and population. The

average population under a Samiti is about 80,000, but the range is from 35,000 to 1,00,000.

The principal function of the PanchayatSamiti is to co-ordinate the activities of the various panchayats within its jurisdiction. The PanchayatSamiti supervises the work of the Panchayats and scrutinizes their budgets. It also reserves the right to suggest measures for improving the functioning of the Panchayats. The Samiti is charged with the responsibility of preparing and implementing plans for the development of agriculture, Land improvement and Soil Conservation, Minor Irrigation, Water Management and Watershed Development, Poverty Alleviation Programme, Animal Husbandry, Dairying and Poultry, Fisheries, Khadi Village and Cottage Industries, Rural Housing, Drinking Water, Social and Farm Forestry, Minor Forest Produce, Fuel and Fodder, Roads, Buildings, Bridges, Ferries, Waterways and other means of communication, Non-Conventional Energy Sources, Education including Primary and Secondary Schools, Technical Training and Vocational Education, Adult and non-formal education, Cultural Activities, Markets and Fairs, Health and Family Welfare, Women and Child Development, Social Welfare including Welfare of the Handicapped and Mentally Retarded, Welfare of the weaker sections and in particular of the Scheduled Castes and Backward Classes, Maintenance of Community Assets, Public Distribution Systems, Rural Electrification, Co-operation, Libraries and Such other functions as may be entrusted by the State Government.

3. District Level

Except in the State of Jammu and Kashmir, the District/ ZilaPanchayat constitutes the apex body of the three-tier structure of the Panchayati Raj System in India. The ZilaParishad having jurisdiction over the entire district excluding such portions of the district as are included in a municipality or cantonment area or are under the authority of a municipal corporation or a notified area committee constituted under any law for the time being in force. Generally, the ZilaParishad is an elected body. It consist of representatives of the PanchayatSamiti, all members of the State Legislative and the Parliament representing a part or whole of the district, all district level officers of the Medical, Public Health, Public Works, Engineering, Agriculture, Education and other development departments.

The ZilaParishad, for the most part, performs co-coordinating and supervisory functions. It coordinates the activities of the Panchayat Samiti falling within its jurisdiction. In certain states the ZilaParishad also approves the budgets of the PanchayatSamitis. It also renders

Number of District, Intermediate and Village Panchayats in States of India, September 2019

Name of the State	District Panchayats	Intermediate Panchayats	Village Panchayats
Andaman and Nicobar Islands	2	7	70
Andhra Pradesh	13	660	13065
Arunachal Pradesh	25	177	1785
Assam	26	191	2199
Bihar	38	534	8386
Chhattishgarh	27	146	10978
Dadra and Nagar Haveli	1	N.A.	20
Daman and Diu	2	N.A.	18
Goa	2	N.A.	191
Gujarat	33	248	14292
Haryana	21	126	6199
Himachal Pradesh	12	78	3226
Jammu and Kashmir	22	306	4482
Jharkhand	24	263	4350
Karnataka	30	176	6021
Kerala	14	152	941
Lakshadweep	1	N.A.	10
Madhya Pradesh	51	313	22812
Maharashtra	34	351	27869
Manipur	6	N.A.	161
Odisha	30	314	6798
Puducherry	N.A.	10	108
Punjab	22	150	13260
Rajasthan	33	295	9888
Sikkim	4	N.A.	185
Tamil Nadu	31	385	12524
Telangana	32	540	12772
Tripura	8	35	591
Uttarakhand	13	95	7762
Uttar Pradesh	75	822	58766
West Bengal	22	342	3340
Total	654	6716	253069

N.A.- Not Applicable

Source: <https://lgdirectory.gov.in>

necessary advice to the Government with regard to the implementation of the various developmental programmes. It is also responsible for the maintenance and development of Agriculture, Irrigation ground water resources and Watershed Development, Horticulture, Statistics of various projects and programme, Rural electrification including distribution of electricity, Distribution of Essential commodities, Soil Conservation, Marketing, Social Forestry, Animal Husbandry and Dairying, Minor Forest Produce and Fuel and Fodder, Fisheries, Household and Small Scale Industries including food processing, Rural Roads, Health and Hygiene, Rural Housing, Education, Social Welfare and Welfare of Weaker Sections, Poverty Alleviation Programmes, Social Reforms Activities, Verification of weights and measures in shopping establishments, Promotion of thrift and savings through and such programmes vested by the State Government with such powers under any other law as the State Government may deem fit. There is also a provision that the ZilaParishad of two or more adjacent districts may jointly undertake and execute any development scheme on such terms and conditions as may be mutually agreed upon.

9.9 □ Number of District, Intermediate and Village Panchayats

The number of Village Panchayats in the country as on September, 2019 was 2,53,069; of the Intermediate Panchayats 6,716 and of the District Panchayats 654.

Critical Analysis

Consequent to the 73rd Constitutional Amendment as well as the Supreme Court's rulings which effectively mandate that local authorities are also to be treated as 'Government or State,' the PRIs have acquired substantial legitimacy, are recognised as an instrument of the Government, and have created participatory structures of grass roots democracy for the rural people. Creation of Constitutional bodies like the State Election Commissions and the State Finance Commissions have also given permanency and stability to these institutions. The Panchayati Raj Institutions (PRIs) in India have, over the years, developed certain critical strengths, although they are characterised by several systemic weaknesses and constraints as well.

Strengths

Each village has its own set of issues, which only the locals can understand. Members of a Panchayat are far more cognizant of the region-specific problems, and thus they are

capable of taking a more informed decision in favour of the people of their village. Taking into consideration the specified needs of their inhabitants, the panchayats work accordingly. The panchayats undertake works of varied levels starting from creation of necessary establishments such as primary schools, to hygiene-related issues, to water requirements, to seek the central government's help towards generating jobs at the village level as well. They also have a major share of contribution towards mobilisation of local resources, encouraging, large-scale community participation, planning at the lower levels, reduction of corruption as well as improvement in quality of nations working.

Weaknesses and Constraints

- Few states have not yet rested and delegated the powers to the panchayats to the true meaning and spirit of the 73rd constitutional amendment. Even if the functions have been delegated, the required powers to execute the said functions are not with the PRIs.
- There is a general lack of manpower in the PRIs, particularly at the village level. With a limited number of officials, even after the complete devolution of powers, it may become difficult for the PRIs to look after all the works assigned to them by the State government. Unless the PRIs are equipped with adequate staff to discharge their functions
- As required by the panchayat act, the gram sabhas have not been efficient in ensuring and empowering the participation of people at the lower levels to the fullest sense possible.
- Powers given to the State Election Commissions also vary from State to State. No uniformity is ensured in this regard. Also, recommendations of State Finance Commissions (SFCs) are generally not taken seriously.
- The PRIs have a varied menu of potential taxes such as on professions, entertainment, tolls, users charges etc., but remain crippled by lack of elastic revenue sources. Although the 11th and 12th Finance Commissions have provided untied grants to these institutions, their financial capacity remains suspect.
- While women got political representation, the real power was usurped by their husbands, "*The SarpanchPati*" depriving them of any meaningful gains. Caste and gender-based discrimination are still prevalent and despite earning a political

position, women are denied their due respect. Widespread illiteracy and ignorance further inhibit their capacity to perform.

- Illiteracy has been one of the most glaring stumbling blocks in achieving the laid down goals of the new Panchayati Raj system.

Conclusion

The Panchayati Raj Institutions exist as over-structured but under-empowered organisations, boasting of Constitutional status but suffering from lack of effective devolution of powers and functions from the State Governments. At the same time, the structure of district administration under the control of the Collector/District Magistrate, characterised by a command structure and lack of horizontal coordination at the grass roots level, has become somewhat anachronistic in the modern democratic framework of our polity. One of the greatest shortcomings of any centre-sponsored rural development programme is its inability to 'trickle down' to the true intended beneficiaries or the poorest of the poor, as happened in case of the PRIs. In order to make local administration more responsive, transparent and accountable to citizens, there is need to have a representative government not only in the Union and States but also at the district and village levels with an equitable division of functions among them. However, any such reform agenda is constrained by the lack of cooperation between the legislature and the representatives of local bodies as well as the lack of capacity of the Panchayati Raj Institutions to take on enhanced responsibilities because of absence of trained personnel as well as their financial incapacity. Most necessary are the attitudinal changes.

Unit 10 □ Rural Development Policies and Programmes in India

Structure

- 10.0 Introduction**
- 10.1 Need for a Rural Development Policy**
- 10.2 Goals of Rural Development Policy**
- 10.3 Strategies of Rural Development Policies**
- 10.4 Plan Period-wise Rural Development Programmes**
- 10.5 Categories of Rural Development Programmes**
- 10.6 Community Development Programme**
- 10.7 Small Farmers Development Agency and Marginal Farmers and Agricultural Labours Development Agency (SFDA and MFALDA)**
- 10.8 Drought Prone Area Programme (DPAP)**
- 10.9 Minimum Need Programme (MNP)**
- 10.10 Integrated Rural Development Programme (IRDP)**
- 10.11 Training of Rural Youth for Self-Employment (TRYSEM)**
- 10.12 Development of Women and Children in Rural Areas (DWCRA)**
- 10.13 Jawahar Rozgar Yojana (JRY)**
- 10.14 Swarnjayanti Gram Swarozgar Yojana (SGSY)**
- 10.15 Rashtriya Swasthya Bima Yojana (RSBY)**

10.0 □ Introduction

In the discussion of development the terms ‘Policy’ and ‘Programme’ are used frequently. However, the terms are not synonymous. The term ‘Policy’ may be defined as a definite course of action selected, as by a government, an institution, a group or an

individual, from among alternatives, which are expected to guide and usually to determine present and future decisions under certain given condition. Thus rural development policy implies the actions taken by the government in pursuit of certain objectives of rural development. A policy has to be translated into a number of programmes before it can be implemented. Thus a policy subsumes some programmes, which are narrower in scope than policies, but more specific with regard to its mission, mode, concerned authority and area of implementation.

In India there is a long history of government intervention in the rural part of its economy. In the pre-independence era, the main aim of the British Government in this regard was to promote export of food and raw materials to the Great Britain. Basically there was no state policy to develop the resources of this country for the welfare of its people. Introduction of land tenure system, opening up of road and rail communications, and promotion of export trade in certain agricultural commodities were some of the important measures taken by the British Government, which had some benefits for the rural economic sector. In January 1946, the then Government of India issued a ‘Statement of Agriculture and Food Policy in India’, mentioning some objectives, and measures, and respective roles of the centre and the provinces. Basically in India there was no unified national policy for rural development until the year 2000, when the first National Agricultural Policy was announced. However, there was a remarkable change in paradigm of rural development in India since the Government of India launched a New Economic Policy in August 1991. The essential elements of the policy were privatisation, deregulation and globalization. The statist model of rural development characterized by the predominant role of the state in initiating, fostering and directing rural development is likely to be abandoned giving way to market-driven and guided model.

10.1 □ Need for a Rural Development Policy

Public policy is definitely a form of social control. Some basic reasons making government intervention in rural sector can be specified in this context.

1. India’s commitment to set up a ‘socialist pattern of society’,
2. Violent fluctuations in agricultural production, prices and income
3. Rural poverty and income inequality,
4. Small, scattered and unorganised rural enterprises and
5. Poor basic infrastructure in rural areas.

10.2 □ Goals of Rural Development Policy

Rural development policies are designed to improve the conditions under which rural people work and live. The goals of the policies are governed by what people desire, and measures the policies by what people think the government can and ought to do to bring about desired change. From the ‘Directive Principles of State Policy’ enshrined in the India’s Constitution, it is possible to derive two dominant goals of economic policy: first, increasing the national income; and second, improving the distribution of national income among the members of the society. These goals are reflected in India’s economic policies that are enunciated in the five year plans. The goal which seek to achieve ‘growth with equity’ need to be seen in the context of four important dimensions of state policy. These are as follows:

1. The quality of life of citizens,
2. The generation of productive employment,
3. Regional balance,
4. Self-reliance.

10.3 □ Strategies of Rural Development Policies

Review and critical analysis of rural development policies adopted in India reveal four different strategies for development. These are as mentioned below.

- i. **Holistic and Equity-oriented Approach-** A very comprehensive but integrated view of the basic problems of poverty, unemployment and inequality characterises this approach. It seeks to address the physical, economic, technological, social, motivational, organisational and political bases of the problems. Multiple goals of the strategy are sought to be achieved by building capacity of the community and making it a participant in the process of development. The Community Development Programme launched during the First Five Year Plan is the example of this approach. Other subsequent policies of similar nature include the Integrated Rural Development Programme, the National Rural Employment Programme, the Training of Rural Youth for Self-employment etc.

- ii. Growth-oriented Strategy-** Since middle of the Second Five Year Plan a need for new approach was felt, which is required for matching the agricultural production with the increasing demand of the expanding population of the country. In 1957-58, the country experienced its first post-independence food crisis. Based upon the recommendation of the Ford Foundation-sponsored Team of American Agricultural Production Specialists, Intensive Agricultural District Programme (IADP) was launched in 1960-61. In contrast to the equity criterion of the CDP, focus was laid on concentration principle in deploying resource in this programme. The aim was to achieve rapid increase in agricultural production through the use of complementary inputs and services. Other significant programmes in this category include the Integrated Agricultural Area Programme, the High Yielding Varieties Programme, the Intensive Cattle Development Programme etc.
- iii. Welfare-oriented Strategy-** Being an exception to the two already mentioned strategies, this approach attempts to promote welfare of the rural population, taking rural poor into special consideration. The notion inherent in this approach is that rural people are not competent enough to identify and mitigate their problems. Government specialists can identify their need and meet them with financial and administrative resources available with the government. The Minimum Needs Programme, the Applied Nutrition Programme, the Mid-day Meals Programme, the RashtriyaSwasthyaBimaYojana etc. were programmes launched with this approach.
- iv. Facilitating and Participatory Strategy-**This approach aims to help rural people to help themselves through their own organisations, active participation and support system. Role of the government is to facilitate their self-help effort by making provision for technology and resources. This is a kind of empowerment that helps the rural people identify and resolve their own problems. The Operation Flood launched in 1970 was planned in this line of thought.

10.4 □ Plan Period-wise Rural Development Programmes

Since independence a large number of programmes has been undertaken by the Central and the State governments in order to improve the living standard of the rural poor and

to bring self-sufficiency under various Five Year Plans. A list of some important rural development programmes has been furnished below.

List of Rural Development Programmes in India (1951-56 to 2012-17)

Plan Period	Programmes	Year of Introduction
First Five Year Plan (1951-56)	Community Development Programme	1952
	National Extension Service	1953
Second Five Year Plan(1956-61)	Khadi and Village Industries Programme	1957
	Village Housing Project Scheme	1957
	Intensive Agricultural District Programme.	1960
Third Five Year Plan (1961-66)	Applied Nutrition Programme	1962
	Rural Industries Project	1962
	Intensive Agriculture Area Programme	1964
	High Yielding Variety Programme	1965
Annual Plan, 1966-67	Well-Construction Programme	1966
Annual Plan, 1967-68	Rural Work Programme	1967
Annual Plan, 1968-69	Tribal Development Block	1968
	Rural Manpower Programme	1969
	Composite Programme for women and Pre-School Children	1969
Fourth Five Year Plan (1969-74)	Drought Prone Area Programme	1970
	Crash Scheme for Rural Employment	1971
	Small Farmer Development Agency	1971
	Tribal Area Development Programme	1972
	Pilot Projects for Tribal Development	1972
	Pilot Intensive Rural Employment Programme	1972

Plan Period	Programmes	Year of Introduction
Fifth Five Year Plan (1974-79)	Minimum Needs Prognunme	1972
	Command Area Development Programme	1974
	Hill Area Development Programme	1975
	Special Livestock Production Programme	1975
	Food for Work Programme	1977
	Desert Development Programme	1977
	Whole Village Development Programme	1979
	Training of Rural Youth for Self Employment	1979
Sixth Five Year Plan (1980-85)	Integrated Rural Development Programme	1979
	National Rural Employment Programme	1980
	Prime Minister's New 20-Points Programme	1980
	Rural Landless Employment Guarantee Programme	1983
Seventh Five Year Plan (1985-90)	Development of Women and Children in Rural Areas	1983
	Integrated Rural Energy Planning Programme	1985
	Indira AwaasYojana	1985
Eighth Five Year Plan (1980-85)	Special Livestock Breeding Programme	1986
	JawaharRozgarYoyana	1989
	Prime Minister's RozgarYojana	1993
Ninth Five Year Plan (1997-2002)	Employment Assurance Scheme	1993
	Basic Minimum Service	1996
	Jawahar Gram SamridhiYojana	1998
	Swarnjayanti Gram SwarozgarYojana	1999
	SampoornaGrameenRozgarYojona	2001

Plan Period	Programmes	Year of Introduction
Tenth Five Year Plan (2002-07)	Pradhan Mantri Gram Sadak Yojna	2000
	Sarva Shiksha Abhiyan	2002
	Swajaldhara (Rural Sanitation and Drinking Water)	2002
	Mahatma Gandhi National Rural	
	Employment Guarantee Act	2005
	National Rural Health Mission	2005
	Rajiv Gandhi Grameen Vidyutikaran Yojana	2005
Eleventh Five Year Plan (2007-12)	Janani Suraksha Yojana	2005
	Aam Aadmi Bima Yojna	2007
	Rashtriya Swasthya Bima Yojana	2007
	National Rural Drinking Water Programme	2009
Twelfth Five Year Plan (2012-17)	National Rural Livelihood Mission	2011
	Roshni: Skill Development Scheme for Tribals	2013
	Pradhan Mantri Jan Dhan Yojana	2014
	Deen Dayal Upadhyay Grameen Kaushal Yojna	2014
	Swachchh Bharat Mission-Gramin	2014
	Sansad Adarsh Gram Yojna	2014
	Deendayal Upadhyaya Gram Jyoti Yojana	2015

10.5 □ Categories of Rural Development Programmes

Rural development programmes adopted by the Government of India during different phases may be broadly categorised into five groups, like - (1) Agricultural Development

Programme, (2) Employment Generation Programme, (3) Area Development Programme, (4) Social Development Programme, and (5) Infrastructural Development Programme.

(A) Agricultural Development Programme

1. Land Reforms (LR)
2. Bhoodan Movement (BM), 1951
3. Community Development Programme (CDP), 1952
4. National Extension Service (NES), 1952
5. Panchayati Raj (PR), 1959
6. Integrated Agricultural District Programme (IADP), 1960
7. Intensive Agricultural Area Programme (IAAP), 1964
8. High Yielding Variety Programme (HYVP), 1965
9. Small Farmers Development Agency (SFDA), 1969
10. Marginal Farmers and Agricultural Laborers Development Agency (MFALDA), 1969.

(B) Employment Generation Programmes

1. Integrated Rural Development Programme (IRDP), 1979
2. Rural Industrie Project (RIP), 1962
3. Crash Programme for Rural Employment (CPRE), 1971
4. Food for Work Programme (FWP), 1977
5. National Rural Employment Programme(NREP), 1980
6. Rural Landless Employment Guarantee Programme, (RLEGP), 1983
7. JawaharRozgarYojana(JRY), 1989
8. Employment Assurance Scheme (EAS), 1993
9. Jawahar Gram SamridhiYojana (JGSY), 1999
10. Swarnjayanti Gram SwarozgarYojana (SGSY), 1999
11. SampoornaGrameenRozgarYojana (SGRY), 2001
12. Mahatma Gandhi National Rural Employment Guarantee Act, 2005

(C) Area Development Programme

1. Tribal Area Development Agency (TADA), 1962/ Integrated Tribal Development Programme(ITDP)
2. Drought Prone Area Programme(DAPA), 1970
3. Command Area Development Programme (CADP), 1974
4. Desert Area Development Project (DDP), 1977
5. Integrated Rural Energy Programme(IREP), 1992.

(D) Social Development Programme

1. Minimum Need Programme (MNP), 1972
2. Twenty Points Programme and Revised Twenty Point Programme(TPP), 1975
3. Training for Rural Youth for Self-employment (TRYSEM), 1979
4. Development of Women and Children in Rural Area (DWCRA), 1982
5. Accelerated Rural Water Supply Programme(ARWSP), 1986
6. Million Wells Scheme (MWS), 1989
7. Indira Awaas Yojana(IAY), 1989
8. Rajiv Gandhi National Drinking Water Mission (RGNDWM), 1991
9. National Social Assistance Programme (NSAP), 1995
10. Mid-day Meal Scheme (MMS), 1995
11. Credit-cum-Subsidy for Rural Housing Scheme, 1999.
12. SarvaShiksha Abhiyan (SSA), 2002
13. Jnani Suraksha Yojana (JSY), 2005
14. National Rural Health Mission (NRHM), 2005
15. Swachh Bharat Mission (SBM), 2014
16. Pradhan Mantri Jan Arogya Yojana (PMJAY), 2018

(E) Infrastructural (Physical) Development Programme

1. Accelerated Rural Water Supply Programme (ARWSP), 1973
2. Rajiv Gandhi National Drinking Water Mission (RGNDWM), 1991

3. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY), 2005
4. National Rural Drinking Water Programme (NRDWP), 2009
5. Pradhan Mantri Jan Dhan Yojana (PMJDY), 2014
6. Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY), 2015
7. Pradhan Mantri Awaas Yojana (Gramin) (PMAY-G), 2016

Selected important rural development programmes from different categories have been discussed in the following section. Other relevant programmes have been discussed under different units of this SLM.

10.6 □ Community Development Programme

The Community Development Programme (CDP) was launched during the First Five Year Plan period on 2nd October 1952. The CDP was considered to be the process by which efforts of the people themselves are combined with those of governmental authorities to improve the economic, social and cultural communities to integrate them into the life of the nation and to the responsibility of the Department of Rural Development under the Ministry of Agriculture.

Objectives

The main objective of CDP was to secure the total development of the material and human resources of rural areas and to develop the local leadership and self-governing institutions. The central idea behind CDP was to raise the local community to higher level of living with active participation and initiatives of the local people. This objective was targeted to be attended by increasing production of food and other agricultural products rapidly. This was again targeted to be achieved by strengthening programmes of natural resource development, like minor irrigation and soil conservation, by improving supply of farm inputs and by providing agricultural extension services to the farmers.

Main Features

1. Through CDP a systematic approach made to reach as much as rural poor as possible.
2. Emphasis was on development activities more particularly in the field of agriculture, animal husbandry, social education, public health, programme for women, children and youth.

3. Overall development of rural community can be brought about only with effective participation of the people.
4. There must be provision of necessary institutional structure and services including various basic democratic village institutions, and coordination of technical and other services.
5. The problems of rural development have to be viewed from a holistic perspective and the efforts to solve them need to be multidimensional.

10.7 □ Small Farmers Development Agency and Marginal Farmers and Agricultural labours Development Agency (SFDA and MFALDA)

It was felt shortly after the Green revolution that the small and marginal farmers and also the agricultural labourers were not benefited from it. The gap between the rich farmers and small and marginal farmers started widening. Besides there was also increase in regional variations in agricultural development. Thus the All India Rural Credit Review Committee in 1969 in its report recommended for the establishment of a country-wide network of pilot project in the form special programmes, the Small Farmers Development Agency (SFDA) and the Marginal Farmers and Agricultural Labourers Development Agency, (MFALDA). During the Fourth Five Year Plan, the government of India gave more stress on eradication of poverty, under which a whole lot of development programmes of the weaker sections of the society was launched. In 1970-71 SFDA and MFALDA were launched as parts of this mission. Later, SFDA and MFALDA were later on merged with Integrated Rural development Programme. (IRDP).

Objectives

The basic objectives of these programmes were to promote small/marginal farmers through facilitating extensive use of new agricultural technology and inputs like high yielding variety of seeds and fertilisers, and additional production assets like wells, tube-wells, pump sets, bullocks and farm-implementation. Identification of small features, marginal farmers, agricultural laboures and their problems, formulation and execution of model plans to resolve the different problems and to review the progress of the execution of these activities as well as the effectiveness of the efforts undertaken to benefit the target groups, they were given necessary assistance by existing agencies and financial institutions.

Main Features

1. Provision of supplementary sources of income like diary and other type of animal husbandry, bullock carts, and small handicrafts were made in which special loans at concessional rates were granted.
2. Further incase of all the productive schemes, 25 per cent of the total amount was sanctioned as subsidy for the small farmers and 33.33 per cent for the marginal farmers and agricultural labourers and the rest as loans.
3. The main emphasis of the SFAD/MFALDP was on the crop husbandry in irrigated and rain fed areas.
4. The programme was duly supported by activities like development of minor irrigation, soil conservation and land development, water harvesting techniques, consolidation of holding coupled with a shaping and construction of watercourses and field channels.
5. Under the programme emphasis was also laid on strengthening the cooperative sector for smooth flow of credit to the identified small and marginal farmers.
6. Provisions were also made for strengthening the market and go down facilities.

10.8 □ Drought Prone Area Programme (DPAP)

Indian agriculture mostly heavily depends upon the monsoon. Inadequate and erratic rainfall often results in drought, which causes scarcity of drinking water and food, more so in the rural areas. Severe drought condition of the mid-sixties decreased agricultural output and increased incidence of poverty in India. Thus government had launched a special programme called he Rural Works Programme (RWP) in 1970-71 with the focus on the execution of rural works and employment generation in an attempt to mitigate the conditions of scarcity in drought-prone areas. As it was realized in course of time that mere RWP would not be able to attain the goals and the programme need to be reoriented on the basis of an area development approach. Thus it was redesignated as the Drought Prone Area Programme (DPAP), which was launched in by the Central Government in 1973-74 to tackle the special problems faced by those fragile areas which are constantly affected by severe drought condition. Under the new strategy of rural development adopted in the Sixth Five Year Plan the DPAP was merged with the Integrated Rural Development Programme

(IRDPA). The programme is now under the administrative jurisdiction of the Department of Land Resources in the Ministry of Rural Development.

Objectives

The basic objectives of the programme are to reduce the severity of the impact of drought; to stabilise the income of people, particularly weaker sections of the society and to restore the ecological balance. To attain these goals the DPAP includes some important elements, like i) development and management of water resources, ii) soil and moisture conservation, iii) afforestation, iv) restructuring the cropping pattern and pasture development, v) changes in agronomic practices, vi) livestock and dairy development, vii) and development of small farmers, marginal farmers and agricultural labourers.

Main Features

1. The central idea of the DPAP was to minimise the adverse effects of drought on production of crops and live-stocks, and productivity of land, water and human resources through integrated development of the natural resources base of the area by adoption of appropriate technologies.
2. Under the DPAP there are provisions to conserve, develop and harness land, water and other natural resources including rainfall for restoration of ecological balance in the long run, and to improve the economic and social condition of the poor and disadvantaged sections of the society by developing subsidiary occupations.
3. The basic thrust was to ensure that the rural works taken up under the programme were of a permanent in nature, like infrastructural works on which further development could be programmed.
4. At the initial stage, the approach was based on labour-intensive scheme.
5. During the Fourth Five Year Plan the DPAP was a central sector scheme with 100 per cent financial assistance from the centre. From the Fifth Five Year Plan onwards, allocation of funds between centre and state was at 50:50 ratio.

10.9 □ Minimum Need Programme (MNP)

The concept of Minimum Needs Programme (MNP) emerged and crystallised out of the experience of the previous plans, which showed that that neither growth nor social consumption could be sustained, much less accelerated, without being mutually supportive.

The MNP was introduced in the Fifth Five Year Plan in 1972 with objective of providing the rural poor living below the poverty line with access to certain items of social consumption, which form an integral part of the basic needs.

Objectives

Initially main thrust of the MNP was on provision of eight components during the Fifth Five Year Plan. In the following two plans the list was expanded and during the Seventh Five Year Plan the MNP included twelve components as follows.

- i. Elementary Education
- ii. Adult Education
- iii. Rural Health
- iv. Rural Water Supply
- v. Rural Roads
- vi. Rural Housing
- vii. Rural Electrification
- viii. Environmental Improvement of Urban Slums
- ix. Nutrition
- x. Rural Domestic Cooking Energy
- xi. Rural Sanitation
- xii. Public Distribution System

Main Features

1. The MNP is basically a human resources development programme, which concerned all states and union territories.
2. Integration of social consumption along with economic development has been considered necessary to accelerated growth and ensure achievement of plan objectives.
3. The programme emphasises the urgency for providing social services according to the nationally accepted norms within a stipulated time frame.
4. To optimise benefits all the twelve components of the MNP are taken as a package, and related to specific areas and beneficiary groups.

5. Provision of free or subsidised services through public agencies is expected to improve the consumption levels of the persons living below the rural and thereby improving the productive efficiencies of both the rural and urban workers.
6. The programme envisaged reducing the disparities in the development of social services and infrastructure as prevailing in different regions and states.

10.10 □ Integrated Rural Development Programme (IRDP)

Eradication of rural poverty has been the major goal of India's economic policy since the commencement of planning era. The Integrated Rural Development Programme was conceived during the Fifth Five Year Plan and was launched in 1978-79. This is the most important programme among the self-employment generating programmes. The concept of 'integration' has two aspects. Firstly, it implies the emphasis on inter-sectional coordination with elements of inter-sectoral complementarities and internal consistency. It comprises of comprehensive agricultural development linked with rural industries, subsidiary occupations, tertiary sectors opportunities, community services and development organisations. Secondly it refers to an integrated project approach with the core project as a basic starting point and all then necessary support to the core project. It has emerged out the emphasis assigned to employment and income redistribution and many other aspects of rural development.

Objectives

Main objectives of the Integrated Rural Development Programme were the alleviation of poverty through growth and generation of employment opportunities for the poorest of the poor in rural India. The benefits were to accrue to the identified target groups comprising of Scheduled Castes (SCs) and Scheduled Tribes (STs), small and marginal farmer, tenants, landless labourers, sharecroppers and rural artisans. The IRDP represents a synthesis of three approaches: the cluster approach to select villages for implementation, the antyodaya approach to select beneficiaries from the selected villages and the package approach to assist the selected beneficiaries. The first approach ensures that the supporting infrastructure are available in the selected villages at low cost, the second approach ensures that the real poor are selected and third approach ensures that the family benefits fully from the complementarity between various inputs and services.

Main Features

1. The IRDP is the single largest anti-poverty programme currently under way in all the community development blocks in the country.
2. The IRDP seeks to redistribute assets and employment opportunities in favour of rural poor and thereby reduce income inequality.
3. It is a centrally sponsored scheme and is funded on 50:50 basis by the centre and the state. The IRDP beneficiaries are assisted through viable and bankable projects, which are financed partly by subsidy and partly by bank loans.
4. The IRDP is implemented by an autonomous agency called the District Rural Development Agency (DRDA). At national level the Ministry of Rural Development is responsible for release of the central share of the funds, policy formulation, overall guidance, direction, coordination and monitoring.
5. It has also the provision of training for the beneficiaries and functionaries at all level. The beneficiaries are trained how to manage the new assets or projects as how to derive maximum benefits from them.

10.11 □ Training of Rural Youth for Self-Employment (TRYSEM)

As a part of the strategy for promoting self-employment opportunities to eradicate poverty, which was particularly emphasised in the Sixth Five Year Plan, Central government launched the National Scheme for Training of Rural Youth for Self-Employment (TRYSEM) from 15th August 1979. It is an integral part of the Integrated Rural Development Programme (IRDP) and has concentrated on rural youths between the ages 18 and 35, which obviously cover a large section of rural labour-force.

Objectives

The objective of the programme was to provide technical and managerial skills to the rural youth below the poverty line with a view to make them capable of taking of self-employment in the field of agriculture and allied activities, industries and household/professional trade etc. depending upon the local need, capabilities and skill of the rural youth. Priority is given to rural youth from Scheduled Castes (SCs), Scheduled Tribes (STs) and woman candidates.

Main Features

1. The model of training included in the scheme are institutional training, individual or collective, local training through master craftsman, artisans and other skilled manpower.
2. The selection of youths is made from rural families with annual income of less than Rs.3500.
3. During the Sixth plan period 1980-85 about 9 lakh youths have received training to improve their skill and about half of them are already self-employed.

10.12 □ Development of Women and Children in Rural Areas (DWCRA)

A new scheme known as Development of Women and Children in Rural Areas (DWCRA) was introduced in September, 1982 as a part of the Integrated Rural Development Programme (IRDP). On the basis of the experience gained during the first three years of the Sixth Five Year Plan, it was noticed that benefits of the IRDP failed to trickle down adequately to promote welfare of women and children. Thus the basic idea of the DWCRA was to provide rural poor women with suitable avenues of income generation to their skill and local conditions.

Objectives

The aim of the scheme was to empower rural women living below the poverty line by way of organizing them to create sustainable income generating activities through self-employment. Moreover, it focuses on availability of input, providing training, marketing of the products and future scope for such activities.

Main Features

1. The DWCRA was the first programme of its kind that specifically focuses on improving the quality of life of rural women.
2. Unlike the other IRDP components, this scheme focuses not only on improvement in income, but also on access to health, education, safe drinking water, sanitation, nutrition, and so on. Thus it focuses on social development also.

3. The programme emphasized on group activity. It was thought that in long run, women's empowerment depends on creation of a movement that promotes awareness and self-reliance.
4. Under the DWCRA, a group of women are granted assistance to take-up viable economic activities with Rs. 15,000 as one time grant to be used as a revolving fund.

This programme is implemented through DRDAs.

10.13 □ Jawahar Rozgar Yojana (JRY)

During 1989-90, two employment guarantee programmes National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP) were merged into a single programme known as Jawahar Rozgar Yojana. It was launched in April 1989. It was the single largest wage employment programme implemented in all villages of the country through the Panchayati Raj Institutions. JRY was restructured in 1999 and renamed as the Jawahar Gram Samridhi Yojana (JGSY).

Objectives

The objectives of the programme were to provide additional gainful wage employment to the unemployed and underemployed persons of the households below the poverty line with special emphasis upon Scheduled Castes (SCs) and Scheduled Tribes (STs), to create durable and productive community assets with a view to improve overall quality of rural life, and to make provision so that at least 30 per cent of the total employment opportunities may be provided to women beneficiaries.

Main Features

1. It is a centrally sponsored programme. The expenditure under the programme is shared by the center and the state on an 80:20 bases.
2. The aim of the scheme is to reach every Panchayat and to provide employment to at least one member in a family living below the poverty line in rural areas for 50 to 100 days a year at a place near his residence.
3. Under the scheme, workers can be taken up for execution during any part of the year, whenever the need for generating supplementary employment is felt, preferably during lean agricultural seasons.

4. The scheme emphasised upon creation of rural infrastructure, like durable assets in form of school buildings, roads and other infrastructure.
5. The resources for the scheme are allocated to the States/Union territories in accordance with the poverty incidence.
6. Implementation of the JRY was entirely placed upon village panchayats. Through this devolution it was hoped that the benefits of this programme directly reaching the people to be significantly higher than in the past.
7. It also aims at placing in the hands of the village Panchayats around the country adequate funds to the run their own rural employment schemes.
8. Entitlement of funds to a Gram Panchayat depends on the per capita allocation of the district worked out on backwardness criteria as well as population.

10.14 **Swarnjayanti Gram Swarozgar Yojana (SGSY)**

The Swarnjayanti Gram Swarozgar Yojana is a self-employment for the rural poor launched on 1st April, 1999 by restructuring and combining the Integrated Rural Development Programme (IRDP) and other self-employment allied programmes, like the Training for Rural Youth for Self-Employment (TRYSEM), the Development of Women and Children in Rural Area (DWCRA) etc. SGSY is an innovative and carefully thought out scheme, which takes into account all the strengths and weakness of all earlier self-employed programme. It aims at establishing a large number of micro enterprises in the rural areas. Persons assisted under this programme are known as Swarozgaris not beneficiaries.

Objectives

The basic objective of SGSY is to bring the assisted poor families above the poverty line by providing them with income-generating assets through bank credit and government subsidy. Thus formation of the organization of the poor at the grassroot level through a process of social mobilization for poverty reduction is the core idea of the scheme. The moot approach was to develop women's self-help groups (SHGs) that have to act as financial intermediary and a vehicle for women's empowerment.

Main Features

1. The SGSY is conceived as a holistic self-employment scheme covering aspects like organisation of the rural poor into self-help groups and their capacity building, planning of activity clusters, infrastructure build up, technology, credit and marketing.
2. It aims to establish a large number of microenterprises in the rural areas, based on the ability of the poor and potential of the rural area.
3. The programme has been designed to provide proper support and encouragement to tap the inherent talent and capabilities of the rural poor.
4. The most vulnerable sections are its target group i.e. at least 50 per cent of the Swarozgaris will be Scheduled Castes (SCs) and Scheduled Tribes (STs), and 40 per cent will be women, and 3 per cent will be disabled persons.
5. Gram Sabhas are entrusted with the task of authenticating the list of families below the poverty line identified in the below poverty line census.
6. The SGSY is a credit-cum-subsidy programme. Thus the greater involvement of banks is envisaged in the planning and preparation of projects, identification of activity cluster, infrastructure planning as well as capacity building and choice of activity of the SHGs, selection of individual Swarozgaris, pre-credit activities and post-credit monitoring including loan recovery. It seeks to promote multiple credits.
7. The funds under the SGSY shared between the center and states in ratio of 75:25.
8. It is implemented by the DRDAs through Panchayat Samitis. The non-governmental organisations (NGOs) are expected to facilitate the formation of such groups and community involvement is particularly emphasised.

10.15  **Rashtriya Swasthya Bima Yojana (RSBY)**

Rashtriya Swasthya Bima Yojana was launched in 1 October 2007. The RSBY is a Government sponsored health insurance scheme for the BPL population of India. It provides health insurance for the enrolled BPL families from each district up to a maximum number

of households based on the definition and the figures provided for each state by the union Planning Commission.

Objectives

The scheme aims to provide health insurance coverage to the unorganised sector workers belonging to the BPL category and their family members. It provides for cashless insurance for hospitalisation in public as well as private hospitals. The total sum insured is Rs. 30,000 per family per annum.

Main Features

1. Beneficiaries need to pay only Rs. 30 the registration fee. This amount shall be used for incurring administrative expenses under the scheme.
2. The scheme has a provision of smart cards to be issued to the beneficiaries to enable cashless transaction for healthcare.
3. The majority of the financing, about 75 percent, is provided by the Government of India, while the remainder is paid by the respective state government. Government of India's contribution is 90 percent in case of North-eastern states and Jammu and Kashmir and respective state Governments need to pay only 10% of the premium.
4. State governments engage in a competitive public bidding process and select a public or private insurance company licensed to provide health insurance by the Insurance Regulatory Development Authority (IRDA) or enabled by a Central legislation.
5. State Government must prepare and submit the BPL data in an electronic format specified by Government of India and send these data to Government of India which in turn checks the compatibility of this data with the standard format.
6. The scheme gives special emphasis on bringing private investment in health services in rural sector.

Unit 11 □ **Rural Infrastructural Development Programmes**

Structure

11.0 Introduction

11.1 Bharat Nirman

11.2 Rural Electrification

11.2.1 Rajiv Gandhi Grameen Vidyutikaran Yojana

11.2.2 National Rural Electrification Policy, 2006

11.2.3 Deen Dayal Upadhyaya Gram Jyoti Yojana

11.2.4 Pradhan Mantri Sahaj Bijli Har Ghar Yojana

11.3 Pradhan Mantri Gram Sadak Yojna

11.4 Pradhan Mantri Awaas Yojana (Gramin)

11.5 Rural Tele-connectivity

11.6 National Digital Communications Policy, 2018

11.0 □ **Introduction**

The role of infrastructure is of paramount importance in development process of any kind, as its shortage often becomes the major limiting factor for economic progress. This has become even more significant under the globalised market regime, where increased productivity, wider connectivity, greater efficiency and competitiveness, to a large extent, determine the viability of any economy. All these again have direct bearing upon environment, health, poverty, equity and standard of living of a country's population. Rural infrastructure is particularly crucial for agriculture, agro-industries and overall rural development of rural areas in India. As per the 2011 census, rural areas account for 69 percent of India's total population. Therefore, improved connectivity and accessibility to rural areas will provide a vital impetus to the country's economic growth. Development of rural infrastructure in general and rural transport infrastructure in particular is very crucial in India. Given the low per capita income of rural households, and hence their low affordability, there is a

clear need for government intervention in taking suitable initiative for improving access to infrastructure services, with a view to eventually moving towards achieving the objectives of universal coverage. This implies gradually improving physical proximity for all to the sources of infrastructure services. Thus, through universal access, the residents of every village should be able to access a common telephone. Each village should be able to connect to wired network/electricity grid, have access to a road and be close to a drinking water source. Thus electrification, transport, housing and connectivity may be considered as the most vital components of rural infrastructure. Government of India has taken initiatives for development of these areas and has introduced various plans and programmes in this regard.

11.1 □ Bharat Nirman

Government of India launched this time bound plan in 2005 for implementation during four years period of 2005-2009. Six components of rural infrastructure included in the Bharat Nirman Programme are:

1. Roads,
2. Telephone connections,
3. Water supply,
4. Irrigation,
5. Housing,
6. Electrification.

Objectives

The Bharat Nirman is a business plan for development of rural infrastructure which was implemented by the Government of India. The primary objective is to provide and improve six basic amenities to the rural India.

Main Features

Roads

- In order to increase rural connectivity, rural roads programme Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched in December 2000.

- As part of the programme, GOI intends that by the end of financial year 2008-09, every village of over 1000 population, or over 500 in hilly and tribal areas has an all-weather road.
- To achieve the targets of Bharat Nirman, 146,185 km of road length is proposed to be constructed by 2009.
- This will benefit 66,802 unconnected eligible habitations in the country.
- Systematic upgradation of the existing rural road networks is also an integral component of the scheme.

Telephone Connections

- It aims in increasing the rural telecommunication facilities by 40%.
- It also aims to supply broadband and Bharat Nirman Seva Kendras in 2.5 lac Panchayats.
- Under the Bharat Nirman Programme 66,822 revenue villages not having telephone connectivity are to be provided with Village Public Telephone (VPT) facility.
- Out of these, 14183 remotely located villages are to be provided VPTs through digital satellite phone terminals, while the remaining are to be provided any other technology.

Water supply

- Providing rural areas with safe drinking water facilities was one of the key objectives of the plan.
- During Bharat Nirman Period, 55,067 uncovered and 3.31 lakh slipped-back habitations are to be covered with provisions of drinking water facilities.
- 2.17 lakh quality affected habitations are to be addressed for water quality problem.

Irrigation

- The target of creation of additional irrigation potential of one crore hectare in 4 years is planned to be met largely through expeditious completion of identified ongoing major and medium irrigation projects.
- Irrigation potential of 42 lakh hectares is planned to be created by expeditiously completing such ongoing major and medium projects.

Housing

- The main objective of the housing component is to provide housing facilities to the rural areas of India. This is being implemented in parallel with Indira Awaas Yojana (IAY) scheme.
- IAY scheme was launched as an independent and major housing scheme from January 1, 1996 to provide assistance for construction up gradation of dwelling units to the BPL rural households.
- Bharat Nirman programme has set a target to construct 60 lakh houses by 2009 at the rate of 15 lakh houses each year.

Electrification

- The rural electrification targets are set to be achieved under Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY).
- RGGVY has been introduced by Ministry of Power in April, 2005.
- The twin objectives of electrification of 1,25,000 villages and electrifying the 2.3 crore BPL households are proposed to be achieved under the Bharat Nirman Programme.

11.2 □ Rural Electrification

Electricity is an essential requirement for all facets of our life and it has been recognized as a basic human need. It is the key to accelerating economic growth, generation of employment, elimination of poverty and human development specially in rural areas. Rural Electrification (RE) is viewed as the key for accelerating rural development. Provision of electricity is essential to cater for requirements of agriculture and other important activities including small and medium industries, khadi and village industries, cold chains, health care, education and information technology. Both the central government and state governments jointly endeavour to achieve this objective at the earliest. Consumers, particularly those who are ready to pay a tariff which reflects efficient costs have the right to get uninterrupted twenty four hours supply of quality power. Determined efforts should be made to ensure that the task of rural electrification for securing electricity access to all households and also ensuring that electricity reaches poor and marginal sections of the society at reasonable rates is completed within the next five years.

11.2.1 Rajiv Gandhi Grameen Vidyutikaran Yojana

The Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) was launched in April 2005 by merging all ongoing schemes. The Government is implementing Decentralised Distributed Generation (DDG) under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) for electrification of villages where grid connectivity is either not feasible or not cost effective. In XII Plan period, DDG has also been extended to the grid connected area where supply of electricity is less than 6 hours a day. Decentralized Distributed Generation (DDG) can be from conventional or renewable sources such as Biomass, Biofuels, Biogas, Mini hydro, Solar etc. Under the programme, 90% grant is provided by Govt. of India and 10% as loan by Rural Electrification Corporation (REC) to the State Governments. Rural Electrification Corporation (REC) is the nodal agency for the programme. As many as 96% of un-electrified villages have been electrified across the country as on May 2014 and intensive electrification of 80% villages has been completed while free electricity connections have been provided to 77% BPL households under the programme the RGGVY.

Objectives

The scheme had a target of electrifying all villages and habitations as per new definition, providing access to electricity to all rural households, providing electricity connection to Below Poverty Line (BPL) families free of charge. Users can contact Gram Panchayat for further details related to the scheme.

Main Features

1. Decentralized Distributed Generation (DDG) Systems are based on conventional and non-conventional energy sources where grid supply is not feasible or cost-effective.
2. Under the RGGVY, electricity distribution infrastructure is envisaged to establish Rural Electricity Distribution Backbone (REDB) with at least a 33/11KV sub-station, Village Electrification Infrastructure (VEI) with at least a Distribution Transformer in a village or hamlet, and standalone grids with generation where grid supply is not feasible.
3. This infrastructure would cater to the requirements of agriculture and other activities in rural areas including irrigation pump sets, small and medium industries, khadi and village industries, cold chains, healthcare and education and IT. This

would facilitate overall rural development, employment generation and poverty alleviation.

4. Subsidy towards capital expenditure to the tune of 90% will be provided, through Rural Electrification Corporation Limited (REC), which is a nodal agency for implementation of the scheme. Electrification of un-electrified Below Poverty Line (BPL) households will be financed with 100% capital subsidy at the rate Rs.1500/- per connection in all rural habitations.
5. The Management of Rural Distribution is mandated through franchisees. The services of Central Public Sector Undertakings (CPSU) are available to the States for assisting them in the execution of Rural Electrification projects.

11.2.2 National Rural Electrification Policy, 2006

The National Rural Electrification Policy was notified in compliance with Sections 4 & 5 of the Electricity Act, 2003 by the Central Government. Goals include provision of access to electricity to all households by the year 2009, quality and reliable power supply at reasonable rates, and minimum lifeline consumption of 1 unit/household/day as a merit good by year 2012. Earlier in compliance with section 3 of the Electricity Act 2003 the Central Government notified the National Electricity Policy. The National Electricity Policy aims at laying guidelines for accelerated development of the power sector, providing supply of electricity to all areas and protecting interests of consumers and other stakeholders keeping in view availability of energy resources, technology available to exploit these resources, economics of generation using different resources, and energy security issues.

Objectives

The Policy aims at provision of access to electricity to all households by year 2009, supply of quality and reliable power at reasonable rates, ensuring minimum lifeline consumption of 1 unit per household per day as a merit good by year 2012.

Main Features

1. For villages/habitations where grid connectivity would not be feasible or not cost effective, off-grid solutions based on stand-alone systems may be taken up for supply of electricity. Where these also are not feasible and if only alternative is to use isolated lighting technologies like solar photovoltaic, these may be adopted. However, such remote villages may not be designated as electrified.

2. State government should, within 6 months, prepare and notify a rural electrification plan which should map and detail the electrification delivery mechanism. The plan may be linked to and integrated with district development plans. The plan should also be intimated to the appropriate commission.
3. Gram panchayat shall issue the first certificate at the time of the village becoming eligible for declaration as electrified. Subsequently, the Gram Panchayat shall certify and confirm the electrified status of the village as on 31st March each year.
4. The state government should set up a committee at the district level within 3 months, under the chairmanship of chairperson of the Zilla Panchayat and with representations from district level agencies, consumer associations, and important stakeholders with adequate representation of women.
5. The district committee would coordinate and review the extension of electrification in the district and consumer satisfaction, etc.
6. Panchayat Raj institutions would have a supervisory / advisory role.
7. Institutional arrangements for backup services and technical support to systems based on non-conventional sources of energy will have to be created by the state government.

11.2.3 Deen Dayal Upadhyaya Gram Jyoti Yojana

The Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) was launched in 2015 by the Government of India for rural electrification. The erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) scheme for village electrification and providing electricity distribution infrastructure in the rural areas has been subsumed in the DDUGJY scheme as its rural electrification component. Rural Electrification Corporation is the Nodal Agency for implementation of DDUGJY. It will furnish monthly progress reports on the implementation of the scheme indicating both financial and physical progress to Ministry of Power and Central Electricity Authority.

Under DDUGJY-RE, Ministry of Power has sanctioned 921 projects to electrify 1,21,225 un-electrified villages, intensive electrification of 5,92,979 partially electrified villages and provide free electricity connections to 397.45 lakh BPL rural households. As on 30th June 2015, works in 1,10,146 un-electrified villages and intensive electrification of 3,20,185 partially electrified villages have been completed and 220.63 lakh free electricity connections have been released to BPL households.

Objectives

This scheme focuses on feeder separation (rural households & agricultural) and strengthening of sub-transmission & distribution infrastructure including metering at all levels in rural areas. This will help in providing round the clock power to rural households and adequate power to agricultural consumers. The major components of the scheme are feeder separation; strengthening of sub-transmission and distribution network; Metering at all levels (input points, feeders and distribution transformers); Micro grid and off grid distribution network & Rural electrification- already sanctioned projects under the RGGVY to be completed.

Main Features

1. The scheme would help to Increase in agriculture yield, development of rural entrepreneurship, improvement in Health, Education, Banking (ATM) services, improvement in accessibility to radio, telephone, television, internet and mobile etc.
2. It will increase accessibility of electricity to schools, panchayats, hospitals and police stations etc. and will ensure betterment in social security due to availability of electricity.
3. The scheme takes into consideration metering to reduce the losses.
4. The village-wise works sanctioned under the DDUGJY has been mapped to scrutinise the progress of work carried out under the project in each village.
5. Projects under this Scheme will be completed within a period of 24 months from the date of issue of Letter of Awards by the utility.
6. All North Eastern States including Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand are included in special category States.
7. The Ministry of Power has launched a new app, GARV-II app to provide real-time data of all six lakh villages of the country. The app is envisaged to ensure transparency in the implementation of rural electrification programme. The new app will also enable the citizens to participate in the developmental works and can give their feedback and inputs related to the rural electrification programme. The participation of citizens will enable public scrutiny of the rural electrification programmes.

11.2.4 Pradhan Mantri Sahaj Bijli Har Ghar Yojana

The Pradhan Mantri Sahaj Bijli Har Ghar Yojana or the Saubhagya Scheme is an Indian government project to provide electricity to all households. The project was announced in September 25th September 2017. The aim was to complete the electrification process by December 2018. Under Saubhagya free electricity connections to all households (both APL and poor families) in rural areas and poor families in urban areas will be provided. There are around 4 Crore un-electrified households in the country and they are targeted for providing electricity connections by December 2018. Rural Electrification Corporation (REC) has been designated as its nodal agency for the Saubhagya scheme. . The total outlay of the project is Rs. 16, 320 crore while the Gross Budgetary Support (GBS) is Rs. 12,320 crore. 91% of rural Indian households have received electricity access till June 2019.

Objectives

The basic objective is to provide last mile connectivity and electricity connections to all un-electrified households in rural areas and to provide Solar Photovoltaic (SPV) based standalone system for un-electrified households located in remote and inaccessible villages/habitations, where grid extension is not feasible or cost-effective

Main Features

1. All DISCOMs including Private Sector DISCOMs, State Power Departments and RE Cooperative Societies shall be eligible for financial assistance under the scheme in line with the DDUGJY.
2. The prospective beneficiary households for free electricity connections under the scheme would be identified using SECC 2011 data. However, un-electrified households not covered under SECC data would also be provided electricity connections under the scheme on payment of Rs. 500 which shall be recovered by DISCOMs in 10 installments through electricity bill.
3. The electricity connections to un-electrified households include provision of service line cable, energy meter including pre-paid/smart meter, single point wiring. LED lamps and associated accessories in line with technical specifications and construction standard.
4. In case of un-electrified households located in remote and inaccessible areas, power packs of 200 to 300 Wp (with battery bank) with a maximum of 5 LED

lights, 1 DC Fan, 1 DC power plug etc. may be provided along with the provision of Repair and Maintenance (R&M) for 5 years.

5. The details of consumers viz, Name and Aadhar number/ Mobile number/ Bank account/ Driving License/Voter ID etc., as available would be collected by the DISCOMs.
6. The defaulters whose connections have been disconnected should not be given benefit of the scheme. However, the utilities may consider settlement of old dues and reconnection as per norms.

Rural Transport

Rural Road Connectivity is not only a key component of rural development by promoting access to economic and social services and thereby generating increased agricultural incomes and productive employment opportunities in India, it is also as a result, a key ingredient in ensuring sustainable poverty reduction.

11.3 □ Pradhan Mantri Gram SadakYojna

The Pradhan Mantri Gram SadakYojana (PMGSY) is a centrally sponsored scheme, which was introduced in 25 December 2000. It is a nationwide plan in India to provide good all-weather road connectivity to unconnected villages of more than 500 persons in the rural areas and 250 persons in the hilly and desert areas. The PMGSY is under the authority of the Ministry of Rural Development. Scheme has started to change the lifestyle of many villagers with new roads and upgrades, such as in Manipur. The Phase II of the PMGSY was approved during May, 2013. While the ongoing the PMGSY Phase-I continued, under the PMGSY Phase II the roads already built for village connectivity was to be upgraded to enhance rural infrastructure. Of 178,000 (1.7 lakh) habitations with a population of above 500 in the plains and above 250 in the hilly areas planned to be connected by all-weather roads, 82% were already connected by December 2017 and work-in-progress on the remaining 47,000 habitations was on-track for completion by March 2019. The average speed of road construction under the PMGSY was 98.5 kilometers per day from 2004 to 2014, it rose to 130 km per day in fy2016-17.

Objectives

The primary objectives of the PMGSY Phase-I is to provide connectivity by \way of an all-weather road (with necessary culverts and cross-drainage structures, which is operable

throughout the year) to eligible unconnected habitations in the rural areas with a population of 500 persons and above in plain areas. In respect of the hill states, desert areas, tribal areas and the selected tribal and backward districts the objective would be to connect eligible unconnected habitations with a population of 250 persons and above. The PMGSY will permit upgradation of existing roads in those districts where all the eligible habitations of the designated population size have been provided all-weather road connectivity. Under the scheme, 1,35,436 habitations were targeted for providing road connectivity and 3.68 lakh km. for upgradation of existing rural roads (including 40 % renewal of rural roads to be funded by the States) in order to ensure full farm to market connectivity.

The Phase II of PMGSY was approved during May, 2013. While the ongoing PMGSY - I continued, under PMGSY phase II, the roads already built for village connectivity was to be upgraded to enhance rural infrastructure. For the 12th Five Year Plan period a target of 50,000 Km length under PMGSY-II. 75 per cent of the cost of the upgradation was by the Centre and 25 per cent by the state. For hill states, desert areas, Schedule V areas and Naxal-affected districts, 90 per cent of cost was borne by the Centre.

The Phase III was approved by the Cabinet during July 2019. It involves consolidation of Through Routes and Major Rural Links connecting habitations to Gramin Agricultural Markets (GrAMs), Higher Secondary Schools and Hospitals. Under the PMGSY-III Scheme, it is proposed to consolidate 1,25,000 Km road length in the States. The duration of the scheme is 2019-20 to 2024-25. The funds would be shared in the ratio of 60:40 between the Centre and State for all States except for 8 North Eastern and 3 Himalayan States (Jammu & Kashmir, Himachal Pradesh & Uttarakhand) for which it is 90:10.

Main Features

1. The unit of this programme is a habitation and not a revenue village or a panchayat. A habitation is a cluster of population, living in an area, the location of which does not change over time.
2. The eligible Unconnected Habitations are to be connected to nearby Habitations already connected by an All-weather road or to another existing All-weather road so that services (educational, health, marketing facilities etc.), which are not available in the unconnected Habitation, become available to the residents.
3. It should be ensured that each road work that is taken up under the PMGSY is part of the Core Network. A Core Network comprises of Through Routes and Link Routes. Through routes are the ones which collect traffic from several link roads or a long chain of Habitations and lead it to Marketing centres either

directly or through the higher category roads i.e., the District Roads or the State or National Highway.

4. The primary focus of the PMGSY is to provide All-weather road connectivity to the eligible unconnected Habitations. An All-weather road is one which is negotiable in all seasons of the year. This implies that the road-bed is drained effectively (by adequate cross-drainage structures such as culverts, minor bridges and causeways), but this does not necessarily imply that it should be paved or surfaced or black-topped. Interruptions to traffic as per permitted frequency and duration may be allowed.
5. Provision of connectivity to unconnected Habitations would be termed as New Connectivity. Since the purpose of the PMGSY inter alia is to provide farm to market access, new connectivity may involve 'new construction' where the link to the habitation is missing and additionally, if required, 'Upgradation' where an intermediate link in its present condition cannot function as an all-weather road.
6. The PMGSY shall cover only the rural areas. Urban roads are excluded from the purview of this Programme. Even in the rural areas, the PMGSY covers only the Rural Roads i.e., Roads that were formerly classified as 'Other District Roads' (ODR) and 'Village Roads' (VR).
7. Proper planning is imperative to achieve the objectives of the Programme in a systematic and cost effective manner. The District Rural Roads Plan would indicate the entire existing road network system in the District and also clearly identify the proposed roads for providing connectivity to Unconnected Habitations, in an economic and efficient manner in terms of cost and utility.
8. In order to implement this, an *Online Management, Monitoring and Accounting System* or OMMAS GIS system was developed to identify targets and monitor progress. The system manages and monitors all the phases of road development right from its proposal mode to road completion.
9. The PMGSY is managed by the National Rural Roads Development Agency (NRRDA), headed by a Director-General.
10. The Pradhan Mantri Gram Sadak Yojana (PMGSY) program has been attempting to increase the green cover near the roads. This is through the planting of tree saplings, including the planting of fruit bearing tree saplings.

Rural Housing

Housing is one of basic requirements for human survival. For a shelterless person, possession of a house brings about a profound social change in his existence, endowing him with an identity, thus integrating him with his immediate social milieu. Public housing programme in the country started with the rehabilitation of refugees immediately after independence and since then, it has been a major focus area of the Government as an instrument of poverty alleviation. Rural housing programme, as an independent programme, started with Indira Awaas Yojana (IAY).

11.4 □ Pradhan Mantri Awaas Yojana (GRAMIN)

The Pradhan Mantri Awaas Yojana (Gramin) (PMAY-G) is a social welfare flagship programme, launched by the Ministry of Rural Development, to provide housing for the rural poor on 1st April 2016. Earlier the Indira Awaas Yojana was launched in 1985 as one of the major flagship programmes of the Government of India. The broad purpose of the scheme was to provide financial assistance to some of the weakest sections of society for them to upgrade or construct a house of respectable quality for their personal living. To address the gaps in the rural housing program and in view of the Government's commitment to providing "Housing for All" by 2022, the 'Indira Awaas Yojana' (IAY) was restructured as the 'Pradhan Mantri Gramin Awaas Yojana'. Total number of houses sanctioned for completion in 2018-19 was 2219934. The same figure for 2016-2020 period is 12489117.

Objectives

Started in 1985 as part of the Rural Landless Employment Guarantee Programme, the Indira Awaas Yojana (IAY) was subsumed in the Jawahar Rozgar Yojana in 1989 and has been operating as an independent scheme since 1 January 1996. The basic aim was to provide financial assistance for construction/ upgradation of dwelling units to the below poverty line (BPL) rural households belonging to the scheduled castes (SC), scheduled tribes (ST) and freed bonded labourers categories. In 1993-94 this scheme was extended to Non-SC/ST categories also. From 1995-96 the scheme has been further extended to widows or next-of-kin of defence personnel killed in action, ex-servicemen and retired members of the paramilitary forces who wish to live in rural areas as long as they meet basic eligibility criteria. Presently, the PMAY-G aims at providing a pucca house, with basic amenities, to all houseless householder and those households living in kutcha and dilapidated

house, by 2022. The immediate objective is to cover 1.00 crore household living in kutcha house/dilapidated house in three years from 2016-17 to 2018-19.

Main Features

1. The minimum size of the house has been increased to 25 sq.mt. (from 20 sq.mt.) with a hygienic cooking space. The unit assistance has been increased from Rs. 70,000 to Rs. 1.20 lakh in plain and from Rs. 75,000 to Rs. 1.30 lakh in hilly states, difficult areas and Integrated Action Plan (IAP) districts.
2. The assistance for construction of toilet shall be leveraged through convergence with the Swachh Bharat Mission (Gramin), Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) or any other dedicated source of funding. Convergence for piped drinking water, electricity connection, LPG gas connection etc. different Government programmes are also to be attempted.
3. The cost of unit assistance is to be shared between Central and State Government in the ratio 60:40 in plain areas and 90:10 for North Eastern and the Himalayan States.
4. Provision of 90-95 unskilled labour wage under the MNREGA for construction of houses over and above the unit assistance has been made,
5. To ensure that assistance is targeted at those who are genuinely deprived and that the selection is objective and verifiable, the PMAY-G instead of selecting a beneficiary from among the BPL households selects beneficiary using housing deprivation parameters in the Socio-economic and Caste Census (SECC) 2011 data which is to be verified by the Gram Sabhas.
6. Towards better quality of construction, setting up of a National Technical Support Agency (NTSA) at the national level is envisaged.
7. One of the major constraints in quality house construction is the lack of the sufficient number of skilled masons. To address this, a pan-India training and certification programme of Masons has been launched in the States/UTs.
8. Focus will be on construction of quality houses using local materials and appropriate designs.
9. In the PMAY-G, programme implementation and monitoring is to be carried out through an end to end e-Governance model, using AwaasSoft and Awaas App.

All payments would be directly made to the beneficiary's bank/post office accounts linked to Aadhar with consent and also registered in AwaasSoftMIS.

10. The programme implementation is to be monitored not only electronically, but also through community participation (social audit), Member of Parliament (DISHA Committee), Central and State Government officials, National Level Monitors etc.

11.5 □ Rural Tele-connectivity

The telecom services have been recognized the world-over as an important tool for socio economic development for a nation and hence telecom infrastructure is treated as a crucial factor to realize the socio-economic objectives in India. Accordingly, the Department of Telecom has been formulating developmental policies for the accelerated growth of the telecommunication services.

The vision is to provide secure, reliable affordable and high quality converged telecommunication services anytime, anywhere for an accelerated inclusive socio-economic development. Special emphasis has been given on following aspects.

1. To develop a robust and secure state-of-the-art telecommunication network providing seamless coverage with special focus on rural and remote areas for bridging the digital divide and thereby facilitate socio-economic development,
2. To create an inclusive knowledge society through proliferation of affordable and high quality broadband services across the nation,
3. Reposition the mobile device as an instrument of socio-economic empowerment of citizens; make India a global hub for telecom equipment manufacturing,
4. To promote development of new standards to meet national requirements;
5. To attract investment, both domestic and foreign and promote creation of jobs.

Total telephone subscriber in rural India was 501.81 million in 2017, which was 41.99 per cent of total users. Rural tele-density has been lagging, although wireless connectivity is growing at a fast pace and India is home to over a billion such connections. In 2017 tele-density was only 56.98 persons per 100 inhabitants, though the target was to reach the level of 70 persons per 100 inhabitants by 2017 and to 100 per cent by 2020. Similarly, broadband connectivity to villages has been lagging, with delay in laying of an optical fibre

network (OFN) up to gram panchayats. Internet subscribers in rural India was 15.49 persons per 100 inhabitants in 2017.

11.6 □ National Digital Communications Policy, 2018

As the present world has entered the era of modern technological advancements in the Telecom Sector, a need was being felt to introduce a ‘customer focused’ and ‘application driven’ policy for the Indian Telecom Sector, which can form the main pillar of Digital India by addressing emerging opportunities for expanding not only the availability of telecom services but also telecom based services. Accordingly, the new National Digital Communications Policy, 2018 has been formulated, in place of the existing National Telecom Policy, 2012, to cater to the modern needs of the digital communications sector of India. The vision is to fulfil the information and communication needs of citizens and enterprises through the establishment of a ubiquitous, resilient, secure, accessible and affordable Digital Communications Infrastructure and Services; and in the process, support India’s transition to a digitally empowered economy and society.

Objectives

The key objectives of the policy are to provide broadband facility for all, creating four million additional jobs in the Digital Communications Sector, enhancing the contribution of the Digital Communications sector to 8% of India’s GDP from 6% in 2017, enhancing India’s contribution to Global Value Chains; and ensuring Digital Sovereignty. These objectives are to be achieved by 2022.

Main Features

1. Creating Robust Digital Communications Infrastructure as a tool for socio-economic development, while ensuring service quality and environmental sustainability.
2. Enabling Next Generation Technologies and Services through Investments, Innovation and IPR generation To harness the power of emerging digital technologies, including 5G, AI, IoT, Cloud and Big Data to enable provision of future ready products and services; and to catalyse the fourth industrial revolution (Industry 4.0) by promoting Investments, Innovation and IPR.
3. Ensuring Sovereignty, Safety and Security of Digital Communications To secure the interests of citizens and safeguard the digital sovereignty of India with a focus

on ensuring individual autonomy and choice, data ownership, privacy and security; while recognizing data as a crucial economic resource.

4. The policy aims to

- Provide universal broadband connectivity at 50 Mbps to every citizen;
- Provide 1 Gbps connectivity to all Gram Panchayats by 2020 and 10 Gbps by 2022;
- Ensure connectivity to all uncovered areas;
- Attract investments of USD 100 billion in the Digital Communications Sector;
- Train one million manpower for building New Age Skill;
- Expand IoT ecosystem to 5 billion connected devices;
- Establish a comprehensive data protection regime for digital communications that safeguards the privacy, autonomy and choice of individuals;
- Facilitate India's effective participation in the global digital economy;
- Enforce accountability through appropriate institutional mechanisms to assure citizens of safe and
- Secure digital communications infrastructure and services.

Unit 12 □ **Rural Development Programmes for Women and Children**

Structure

- 12.1 Rural Development Programmes for Women and Children**
- 12.2 Janani Suraksha Yojana**
- 12.3 National Nutrition Mission**
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12.1 □ **Rural Development Programmes for Women and Children**

Any country cannot prosper if the basic needs of a large section of women and children are not met sufficiently with adequate standards. However, far too many women, children worldwide still have little or no access to essential, good-quality health services and education, clean air and water, adequate sanitation and good nutrition. Many more people suffer illness and disability and fail to reach their full potential, resulting in enormous loss and costs for countries both today and for future generations. The problem is definitely more crucial for the developing countries. Hence it is extremely crucial for any government to strengthen the position of these sections in society and to ensure their empowerment. There is a continuous need to focus on safeguarding women and children in humanitarian and fragile settings and upholding their human rights to the highest attainable standard of health, even in the most difficult circumstances.

Keeping this objective in mind, The Department of Women and Child Development was set up in the year 1985 as a part of the Ministry of Human Resource Development to give the much needed impetus to the holistic development of women and children. The Ministry of Women and Child Development, Government of India, came into existence as a separate Ministry with effect from 30th January, 2006 with the nodal responsibility to advance the rights and concerns of women and children, who together constitute 68% of the country's population, as per 2011 Census. The vision of the ministry is empowered women living with dignity and contributing as equal partners in development in an environment free from violence and discrimination, and well-nurtured children with full opportunities for growth and development in a safe and protective environment. Basic missions of the ministry are mentioned below.

1. To promote social and economic empowerment of women through cross-cutting policies and programmes, mainstreaming gender concerns, creating awareness about their rights and facilitating institutional and legislative support for enabling them realize their human rights and develop to their full potential.
2. To ensure development, care and protection of children through cross-cutting policies and programmes, spreading awareness about their rights and facilitating access to learning, nutrition, institutional and legislative support for enabling them to grow and develop to their full potential.

The Government of India has taken several initiatives to develop the woman and child section of its population, some of which are stated below.

12.2 □ Janani Suraksha Yojana

Janani Suraksha Yojana (JSY) is a safe motherhood intervention scheme implemented by the Government of India under the National Rural Health Mission (NRHM). It was launched on 12 April 2005. In order to reduce the maternal and infant mortality, Reproductive and Child Health Programme is being implemented to promote institutional deliveries so that skilled attendance at birth is available and women and new born can be saved from pregnancy related deaths. Several initiatives have been launched by the Ministry of Health and Family Welfare (MoHFW) including Janani Suraksha Yojana (JSY), a key intervention that has resulted in phenomenal growth in institutional deliveries. It aims to promote institutional delivery among poor pregnant women and to reduce neo-

natal mortality and maternal mortality. It is operated under the Ministry of Health and Family Welfare as part of the National Rural Health Mission. The JSY is a 100 % centrally sponsored scheme and it integrates cash assistance with delivery and post-delivery care.

Objectives

The JananiSurakshaYojana was implemented to ensure that pregnant women who are Below the Poverty Line (BPL) access health facilities for childbirth. It provides cash benefit to eligible pregnant women if they choose to deliver in a health facility, irrespective of their age and the number of children they have. Special dispensation is provided to states that have low institutional delivery rates. These states are eight EAG States, including Uttar Pradesh, Uttarakhand, Bihar, Jharkhand, Madhya Pradesh, Chhattisgarh, Rajasthan, Odisha, along with Assam and Jammu and Kashmir. These are referred to as Low Performing States (LPS) under the scheme. Other states and union territories are called High Performing States (HPS) owing to their higher rates of institutional delivery.

Main Features

1. In LPS, all pregnant women delivering in government health facilities are eligible for a cash benefit. Women who choose to deliver in accredited private institutions are eligible only if they are Below the Poverty Line or belong to a Scheduled Caste or Scheduled Tribe.
2. In HPS, only pregnant women who are Below the Poverty Line or belong to a Scheduled Caste or Scheduled Tribe are eligible for cash benefits, irrespective of whether they choose to deliver in a government health facility or an accredited private institution.
3. Women who are Below the Poverty Line and choose to deliver at home are entitled to a cash assistance of ₹500 per delivery.
4. Accredited Social Health Activists (ASHA) are also incentivised under the Scheme for promoting institutional deliveries among pregnant women.
5. Tracking of each pregnancy is emphasised. Each beneficiary registered under this Yojana should have a JSY card along with a MCH card. ASHA/AWW (Anganwadi worker)/ any other identified link worker under the overall supervision of the

ANM and the MO, PHC should mandatorily prepare a micro-birth plan. This will effectively help in monitoring antenatal check-up, and the post-delivery care.

12.3 □ National Nutrition Mission

National Nutrition Mission (NNM) or POSHAN Abhiyaan is a flagship programme of the Ministry of Women and Child Development (MWCD), Government of India, commencing from 2017-18. This programme ensures convergence with various programmes i.e., Anganwadi Services, Pradhan Mantri Matru Vandana Yojana (PMMVY), Scheme for Adolescent Girls (SAG) of MWCD Janani Suraksha Yojana (JSY), National Health Mission (NHM), Swachh-Bharat Mission, Public Distribution System (PDS), Department Food and Public Distribution, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Ministry of Drinking Water and Sanitation. Government is implementing several schemes and programmes under the Umbrella Integrated Child Development Services Scheme as direct targeted interventions to address the problem of malnutrition in the country. All these schemes address one or other aspects related to nutrition and have the potential to improve nutritional outcomes in the country. This scheme will be funded by Government Budgetary Support (50%) and 50% by IBRD or other MDB. Government budgetary support would be 60:40 between Centre and States/ UTs, 90:10 for NER and Himalayan States and 100% for UTs without legislature. Under the POSHAN Abhiyaan all districts of the 36 States/ Union Territories (UTs) have been covered in a phased manner. More than 10 crore people will be benefitted by this programme. Upto June 2019 Approximately 10.55 lakh field functionaries which include Anganwadi Workers, Lady Supervisors, Child Development Project Officers, District Project Officers and State Project Monitoring Unit Officers have been trained on various Modules of Increment Learning Approach and ICDS-CAS to strengthen implementation and operational preparedness under this Abhiyaan. During Financial Year 2017-18 and 2018-19, a sum of Rs.61.92 Crore has been spent under the head 'Information, Education and Communication (IEC), Advocacy and Jan Andolan' under the POSHAN Abhiyaan.

Objectives

Malnutrition is not a direct cause of death but contributes to mortality and morbidity by reducing resistance to infections. There are a number of causes of death of children such as prematurity, low birth weight, pneumonia, diarrhoeal diseases, non-communicable diseases,

birth asphyxia and birth trauma, injuries, congenital anomalies, acute bacterial sepsis and severe infections, etc. Thus the goal of NNM is to achieve improvement in nutritional status of children from 0-6 years, adolescent girls, pregnant women and lactating mothers in a time bound manner during the next three years beginning in 2017-18. The mission will create synergy, ensure better monitoring, issue alerts for timely action, and encourage States/ UTs to perform, guide and supervise the line Ministries and States/UTs to achieve the targeted goals.

Major Features

1. The NNM is a comprehensive approach towards raising nutrition level in the country on a war footing.
2. The NNM targets to reduce stunting, under-nutrition, anemia (among young children, women and adolescent girls) and reduce low birth weight by 2%, 2%, 3% and 2% per annum respectively. However, the mission would strive to achieve reduction in Stunting from 38.4% to 25% by 2022.
3. It will comprise mapping of various schemes contributing towards addressing malnutrition, including a very robust convergence mechanism, ICT based Real Time Monitoring system,
4. It aims at incentivizing States/ UTs for meeting the targets,
5. The mission attempts on incentivizing Anganwadi Workers (AWWs) for using IT based tools and eliminating registers used by AWWs,
6. It focuses on introducing measurement of height of children at the Anganwadi Centres (AWCs),
7. NNM stresses on social audits, setting-up Nutrition Resource Centres, involving masses through Jan Andolan for their participation on nutrition through various activities etc.
8. Implementation strategy would be based on intense monitoring and Convergence Action Plan right upto the grass root level.

12.4 □ Drinking Water and Sanitation Programmes

Drinking water and sanitation facilities are very important and crucial for achieving the goal for achieving the goal of “HEALTH FOR ALL”. Safe drinking water supply and basic

sanitation are so intrinsically linked to human and ecosystem health that they, along with proper hygiene form the most essential components of a safe and healthy life.

The Union Government of India appointed the Environmental Hygiene Committee (1948-49), which recommended a comprehensive plan for providing safe water supply and sanitation to the population. Thereafter the National Water Supply and Sanitation Programme was launched in 1954. The United Nations declared 1981-1990 as the “International Drinking Water Supply and Sanitation Decade”. The following targets were fixed by the Indian Government for the decade:

- 100% Urban and Rural Water Supply
- 50% Urban Sanitation
- 25% Rural Sanitation

12.5 □ Accelerated Rural Water Supply Programme

The Accelerated Rural Water Supply Programme (**ARWSP**) was introduced in 1972-73 by the Government of India to assist the States and Union Territories (UTs) to accelerate the pace of coverage of drinking water supply. The entire programme was given a Mission approach with the launch of the Technology Mission on Drinking Water and Related Water Management in 1986. Salient features of the revised policy for implementation of Accelerated Rural Water Supply Programme during the Ninth Plan period are as follows:

- i. Normative criteria should be replaced with a need-based approach regarding allocation criteria of funds under ARWSP to the states.
- ii. Decentralization of powers to the states for implementation of sub-mission programmes.
- iii. Institutionalizing community-based demand-driven rural water supply programme with cost-sharing instruments by communities, gradually replacing the current supply-driven, centrally maintained non-people participating rural water supply programme.
- iv. Institutionalising water quality monitoring and surveillance systems was given priority. Special emphasis is being given to areas affected with quality problems due to excess fluoride, arsenic, iron and other pollutants.

12.6 □ Rajiv Gandhi National Drinking Water Mission

In 1986, the National Drinking Water Mission (NDWM) was launched in order to provide scientific and cost effective content to the Centrally Sponsored Accelerated Rural Water Supply Programme (1972-73). The NDWM was renamed as the Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1991. Rural water supplies being a state subject, the state governments have been implementing the rural water supply programme under the Minimum Needs Programme (MNP). The central government through RGNDWM supplements the efforts of the state governments by providing assistance under the Accelerated Rural Water Supply Programme.

12.7 □ National Rural Drinking Water Programme

The centrally sponsored scheme, National Rural Drinking Water Programme (NRDWP) was launched in 1 April, 2009. It aims to provide safe and adequate water to every rural person on a sustainable basis. The Department of Drinking Water and Sanitation provides technical and financial assistance to the States to provide safe and adequate drinking water to rural India. The Programme is being implemented in all States and two Union Territories (Andaman and Nicobar Islands and Puducherry). The Programme has been restructured in November 2017 to make it more competitive, outcome based and result oriented. This is in line with United Nations Sustainable Development Goal (SDG) Target 6, i.e. 'By 2030, achieve universal and equitable access to safe and affordable drinking water for all'. Till now there are 13,99,345 fully covered habitations, which is 81.08 per cent of total and 2,68,779 partially covered habitations.

Objectives

The aim and objective of NRDWP is to provide every rural person with adequate safe water for drinking, cooking and other basic domestic needs on a sustainable basis, with a minimum water quality standard, which should be conveniently accessible at all times and in all situations. Achieving this aim and objective is a continuous process. The Department is committed to providing household piped water supply to all rural households by 2024 with a focus on small scale, community managed schemes groundwater schemes wherever possible, with emphasis on source sustainability through groundwater recharge and wastewater reuse.

Main Features

1. States are being asked to plan for coverage of habitations with piped water supply through stand posts or household connections. This shall reduce the drudgery and time taken in the collection of water. It shall also facilitate in tackling the problem of drinking water quality in the habitations affected with water issues.
2. The State Governments, in consultation with the Central Ministry, prepare Annual Action Plans (AAP) each year, to implement rural water supply schemes to cover partially covered and quality affected habitations and for other activities.
3. To ensure sustainability of functioning of rural water supply schemes, the States have to adopt improved Operation and Maintenance (OandM) methods for their better working and to control leakages.
4. To incentivise States to involve the Panchayati Raj Institutions (PRI) in the planning, operation and management for drinking water supply schemes, a Management Devolution Index has been formulated to measure the extent of devolution of powers made by States to the PRIs with respect to Funds, Functions and Functionaries in regard to drinking water supply.
5. The Ministry has set up a robust web-based monitoring mechanism at the central level to monitor the implementation of water supply schemes under the NRDWP in the States.
6. To facilitate water quality testing, a separate Water Quality Monitoring and Surveillance Component with 3% of NRDWP allocation has been created to strengthen water quality testing practices in States.
7. The NRDWP has special provisions to ensure coverage of the Scheduled Caste and Scheduled Tribe population with potable water supply. 22% and 10% of the funds are earmarked for the use in SC and ST dominated areas respectively.
8. Rural Water Supply and Sanitation Project-Low Income States (RWSSP-LIS) costing Rs. 6174 Crore is being implemented since June 2014 with the support of World Bank to improve piped water supply in Assam, Bihar, Jharkhand and Uttar Pradesh. The Project is planned to be completed by March 2020 and expected to benefit 75 lakh population and 16,933 habitations.

9. National Water Quality Sub-Mission had been launched on 22nd March, 2017 to provide safe drinking water to about 28,000 arsenic / fluoride affected habitations over a span of 4 years.
10. Swajal, a community demand driven, decentralized, single village, preferably solar powered, mini PWS programme for aspirational districts identified by NITI Aayog has been launched. The States may use Flexi Funds of NRDWP releases.
11. A National Centre for Drinking Water, Sanitation and Quality (formerly known as International Centre for Drinking Water Quality) registered under Societies Registration Act. 1860 is set up at Kolkata as an autonomous Institution under the Ministry. The scope of work of the Centre was initially limited to undertake activities under drinking water quality sector.

12.8 Swachh Bharat Mission

To accelerate the efforts to achieve universal sanitation coverage in a time bound manner in mission mode, the government of India launched the Swachh Bharat Mission (SBM) on 2nd October, 2014, with the goal of achieving an open defecation free (ODF) India by 2nd October 2019, as a fitting tribute to Mahatma Gandhi on his 150th birth anniversary. The Department of Drinking Water and Sanitation manages the rural component of the mission – Swachh Bharat Mission Grameen (SBM-G), and is the coordinating department for the overall SBM. Going forward, the SBM will focus on moving from ODF to ODF Plus, through a focus on ODF sustainability and Solid Liquid Waste Management under four major verticals: Grey water management, plastic waste management, bio-degradable solid waste management and faecal sludge management. Since the launch of the SBM, India's rural sanitation coverage has increased from 39% in 2014 to over 99% as of June 2019. Total number of toilet built since 2nd Oct 2014 under SBM-G is 997.53 lakh. There has been 61.28 % increase in households with toilet since 2nd Oct 2014. There are 5,90,098 self-declared ODF villages.

Objectives

The basic idea is to bring about an improvement in the general quality of life in the rural areas, by promoting cleanliness, hygiene and eliminating open defecation and to accelerate

sanitation coverage in rural areas to achieve the vision of Swachh Bharat by 2nd October 2019. The mission aims to motivate communities to adopt sustainable sanitation practices and facilities through awareness creation and health education and to encourage cost effective and appropriate technologies for ecologically safe and sustainable sanitation. To develop, wherever required, community managed sanitation systems focus is on scientific solid and liquid waste management systems for overall cleanliness in the rural areas. To create significant positive impact on gender and promote social inclusion emphasis is given on improving sanitation especially in marginalized communities

Main Features

1. Augmenting the institutional capacity of districts for undertaking intensive behavioural change activities at the grassroot level by emphasising awareness generation, triggering mindsets leading to community behaviour change and demand generation for sanitary facilities in houses, schools, Anganwadis, places of community congregation, and for Solid and Liquid Waste Management activities.
2. Incentivising the performance of state-level institutions to implement behavioural change activities in communities.
3. Strengthening the capacities of implementing agencies to roll out the programme in a time-bound manner and to measure collective outcomes
4. To cater the need for a dedicated, trained and properly incentivized sanitation workforce at the gram panchayat level, an army of 'foot soldiers' or 'Swachhagrahis', earlier known as 'SwachhataDoots' is developed and engaged through existing arrangements like Panchayati Raj Institutions, co-operatives, ASHAs, Anganwadi workers, Women Groups, Community Based Organisations, Self-help Groups, water linemen/pump operators etc.
5. To ensure appropriate participation of the beneficiary/communities, financially or otherwise in the setting up of the toilets to promote ownership and sustained use, both at the household and community levels. An illustrative list of technology options, with cost implications is provided to meet the user preferences and location-specific needs.

6. To engage a robust monitoring machinery by using community-led system, like social audit, community-based monitoring and vigilance committees.
7. As sanitation is a State subject, and States are the key entities in implementation of the programme, the mechanism for ODF verification are best evolved by the States themselves. The role of the Centre is to cross-share processes adopted by different States and evolve a mechanism to validate a small percentage of GPs/villages declared ODF by the States and further facilitate and guide the States where there is large difference in evaluation of Centre/State.

12.9 National Rural Health Mission

The National Rural Health Mission (NRHM) was launched on 12th April 2005, to provide accessible, affordable and quality health care to the rural population, especially the vulnerable groups. Under the NRHM, the Empowered Action Group (EAG) States, including Bihar, Jharkhand, Uttar Pradesh, Uttarakhand Madhya Pradesh, Chhattisgarh, Odisha and Rajasthan, as well as north-eastern states, Jammu and Kashmir and Himachal Pradesh have been given special focus. As per the 12th Plan document of the Planning Commission, the flagship programme of NRHM will be strengthened under the umbrella of National Health Mission. The focus on covering rural areas and rural population will continue along with up scaling of NRHM to include non-communicable diseases. The mission aims to raise public spending on the health sector to 2-3% of the Gross Domestic Product (GDP), by undertaking architectural correction of the health system and promote policies that strengthen public health management and service delivery in the country. At the National level, the NHM has a Mission Steering Group (MSG) headed by the Union Minister for Health and Family Welfare and an Empowered Programme Committee (EPC) headed by the Union Secretary for Health and FW. The EPC will implement the Mission under the overall guidance of the MSG. At the State level, the Mission would function under the overall guidance of the State Health Mission headed by the Chief Minister of the State. The functions under the Mission would be carried out through the State Health and Family Welfare Society. The National Health Mission (NHM) was launched by the government of India in 2013 subsuming the National Rural Health Mission and National Urban Health Mission. It was further extended in March 2018, to continue until March 2020.

Objectives

The NRHM seeks to provide equitable health care to the rural population, especially the vulnerable groups. The thrust of the mission is on establishing a fully functional, community owned, decentralised health delivery system with inter-sectoral convergence at all levels, human resources management, community involvement, rigorous monitoring and evaluation against standards, innovations and flexible financing and also interventions for improving the health indicators to ensure simultaneous action on a wide range of determinants of health such as water, sanitation, education, nutrition, social and gender equality.

The NRHM focuses on Reproductive, Maternal, Newborn, Child Health and Adolescent Services. The emphasis here is on strategies for improving maternal and child health through a continuum of care and the life cycle approach. It recognises the inextricable linkages between adolescent health, family planning, maternal health and child survival. Moreover, the linking of community and facility-based care and strengthening referrals between various levels of health care system to create a continuous care pathway is also to be focussed.

Main Features

1. To train and enhance capacity of Panchayat Raj Institutions (PRIs) to own, control and manage public health services.
2. To promote access to improved healthcare at household level through the female health activist, i.e. Accredited Social Health Activists (ASHA). ASHA is the first port of call for any health related demands of deprived sections of the population, especially women and children, who find it difficult to access health services in rural areas.
3. Health Plan for each village through Village Health Committee of the Panchayat along with preparation and implementation of an inter-sectoral District Health Plan prepared by the District Health Mission, including drinking water, sanitation and hygiene and nutrition. Integrating vertical Health and Family Welfare Programmes at National, State, Block, and District levels.
4. Strengthening existing PHCs and CHCs, and provision of 30- 50 bedded hospitals.
5. The RोगीKalyanSamiti (Patient Welfare Committee)/ Hospital Management Society, which is a management structure that acts as a group of trustees for the

hospitals to manage the affairs of the hospital. Financial assistance is provided to these Committees through untied fund to undertake activities for patient welfare.

6. Strengthening capacities for data collection, assessment and review for evidence based planning, monitoring and supervision.
7. Developing capacities for preventive health care at all levels for promoting healthy life styles, reduction in consumption of tobacco and alcohol etc.
8. Promotion of public-private partnerships for achieving public health goals and also promoting non-profit sector particularly in under-served areas.
9. Regulation of private sector including the informal rural practitioners to ensure availability of quality service to citizens at reasonable cost and revitalising local health traditions including AYUSH services.
10. Provided health care contractors to under-served areas, and an emphasis upon training to expand the skill of doctors and capacity building of nursing staff and auxiliary workers such as Auxiliary Nurse Midwives (ANMs).
11. Reorienting medical education to support rural health issues including regulation of Medical care and Medical Ethics.
12. Effective and viable risk pooling and social health insurance to provide health security to the poor by ensuring accessible, affordable, accountable and good quality hospital care.

12.10 **Sarva Shiksha Abhiyan**

The SarvaShikshaAbhiyan (SSA) is a flagship programme of the Government of India aimed at the universalisation of elementary education "in a time bound manner", as mandated by the 86th Amendment to the Constitution of India making free and compulsory education to children between the ages of 6 and 14 a fundamental right. As an intervention programme, it started on 2002, though SSA has been operational since 2000-2001. However, its origin goes back to 1993-1994, when the District Primary Education Programme (DPEP) was launched, with an aim of achieving the objective of universal primary education. The Central share was funded by a number of external agencies, including the World Bank, Department for International Development (DFID) and UNICEF. In 2018-19 total number of educational institutes was 10426, which include an enrolment of 517115 girls and 1316060 boys.

Objectives

The SSA aims to provide for a variety of interventions for universal access and retention, bridging of gender and social category gaps in elementary education and improving the quality of learning. The SSA interventions include inter alia, opening of new schools and alternate schooling facilities, construction of schools and additional classrooms, toilets and drinking water, provisioning for teachers, regular teacher in service training and academic resource support, free textbooks and uniforms, and support for improving learning achievement levels/ outcome. As the Right to Education Act (RTE) came into force on 1 April 2010, changes have been incorporated into the SSA approach, strategies and norms. The changes encompass the vision and approach to elementary education, guided by the following principles: Holistic view of education, as interpreted in the National Curriculum Framework 2005, with implications for a systemic revamp of the entire content and process of education with significant implications for curriculum, teacher education, educational planning and management. Equity, to mean not only equal opportunity, but also creation of conditions in which the disadvantaged sections of the society, children of SC, ST, Muslim minority, landless agricultural workers and children with special needs, etc., can avail of the opportunity.

‘Padhe Bharat Badhe Bharat’, launched in 2014 by the Ministry of Human Resource Development, is a nationwide sub-programme of Sarva Shiksha Abhiyan. Children who fail to read in early education lag behind in other subjects. The programme is designed to improve comprehensive early reading, writing and early mathematics programme for children in Classes I and II. The programme will not only provide print rich environment, timely distribution of books but will also include new teacher mentoring and appraisal system. In 2018, Sarva Shiksha Abhiyan along with Rashtriya Madhyamik Shiksha Abhiyan was launched to form Samagra Shiksha Abhiyan.

Major Features

1. The SarvaShikshaAbhiyan is a programme for Universal Elementary Education.
2. This programme is also an attempt to provide an opportunity for improving human capabilities to all children through provision of community-owned quality education in a mission mode.
3. It is a response to the demand for quality basic education all over the country.

4. The SSA attempts to provide quality elementary education including life skills with a special focus on the education of girls and children with special needs as well as computer education.
5. Centrality of teacher, to motivate them to innovate and create a culture in the classroom, and beyond the classroom, might produce an inclusive environment for children, especially for girls from oppressed and marginalised backgrounds.
6. Moral compulsion is imposed through the RTE Act on parents, teachers, educational administrators and other stakeholders, rather than shifting emphasis on punitive processes.
7. Convergent and integrated system of educational management is pre-requisite for implementation of the RTE law. All states must move in that direction as speedily as feasible.

Key Words :

Target group, Approaches to Rural Development, SGSY, MGNREGA, Jan Dhan Yojana, Rural Services, Elementary Education, Health Care, Micro credit, PURA, Rural Governance, Panchayati Raj Institution, Rural Development Policies, Rural Development Programmes, Rural Infrastructure, Infrastructural Development Programmes, Rural Electrification, Rural Transport, Rural Housing, Rural Connectivity, Janani Suraksha Yojana, National Nutrition Mission, Drinking Water and Sanitation Programme, NRHM, Sarva Sikha Mission.

12.11 □ Questions

Long Questions

1. Give an idea on different approaches adopted in post-independence India of rural development with special reference to the Target Group Approach.
2. Explain major objectives and features of the Swarnjayanti Gram Swarozgar Yojana (SGSY)/ Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).
3. Discuss briefly the origin and characteristics of the PURA Scheme in India.

4. Critically discuss the Panchayati Raj System in India.
5. Make a brief discussion on the basic strategies behind rural development policies and programmes in India. Classify rural development policies and programmes in India.
6. Discuss briefly origin and basic characteristics of any two employment generating programme/ social development programme adopted for rural areas in India.
7. Discuss some major initiatives taken by the Government of India to develop the physical infrastructure of the rural areas.
8. What are the major policies adopted for the development of woman and child health condition in rural India?
9. Make a detailed discussion on the recent policies aimed to promote elementary education in Rural India.

Short Questions

1. Give an idea on the aims and objectives of the Jan Dhan Yojana.
2. What are the typical features of provision of services in rural areas?
3. Discuss the basic characteristics of the IRDP.
4. Mention the significance of the DWCRA scheme with respect to woman and child development?
5. Give an idea on the origin and significance of the Swachh Bharat Mission/ the Sarva Shiksha Abhiyan.
6. Explain the three tier model of rural governance as adopted in India.

Make a short note on the micro credit facilities available in rural India.

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