

PROCEEDINGS OF THE WORKSHOP ON
“POVERTY, UNEMPLOYMENT AND RURAL DEVELOPMENT
PROGRAMMES”

HELD ON THE 6TH & 7TH OF APRIL, 2007

The workshop commenced at 9.30 a.m. on 6th of April, 2007 in the Conference Hall at LBSNAA. The following persons participated:

1. Shri Padamvir Singh, IAS, Joint Director, LBSNAA, Mussoorie
2. Shri B.K. Sinha, IAS, Additional Secretary, Ministry of Panchayati Raj, Govt. of India
3. Dr. C. Ashokvardhan, IAS, Director, Consolidation, Patna
4. Dr. Abusaleh Shariff – Chief Economist, NCAER, New Delhi
5. Shri T.K. Manoj Kumar, IAS, Deputy Director (Sr.), LBSNAA, Mussoorie
6. Dr. K. Gopal Iyer, Retd. Professor, Department of Sociology, Punjab University, Chandigarh
7. Prof. A.S. Khullar, Professor & Head, Department of Economics, LBSNAA, Mussoorie
8. Shri Sanjeev Chopra, Deputy Director, LBSNAA, Mussoorie
9. Shri Yatendra Kumar, Deputy Director, LBSNAA, Mussoorie
10. Prof. A. S. Rama Chandra, Professor of Political Theory & Constitutional Law, LBSNAA, Mussoorie
11. Shri A. A. A. Faizi, BAS, Additional Private Secretary to Minister of Rural Development, New Delhi
12. Prof. R. S. Deshpande, Professor and Head, ADRTC, Bangalore
13. Prof. Raj Kishore Panda, Professor, P.G. Dept. of Analytical and Applied Economics, Utkal University, Bhubaneswar
14. Prof. M. Thangaraj, Professor, Dr. Ambedkar Centre for Economic Studies, University of Madras, Chennai
15. Dr. Kalyan Sankar Mandal, Professor of Sociology, Indian Institute of Management, Kolkata
16. Dr. N. Narayanasamy, Professor & Head, Dept. of Extension Education, Gandhigram Rural Institute, Gandhigram T.N.
17. Dr. Pradeep Bhargava, Professor, Institute of Development Studies, Jaipur
18. Dr. Sanjeev Kapoor, Associate Professor, Indian Institute of Management, Lucknow
19. Dr. Sukhdev Singh, Associate Professor (Rural Development- Sociology) Punjab Agricultural University, Ludhiana
20. Shri Jayant Verma, Secretary & Executive Director, Samvad Society for Advocacy & Development, Jabalpur, M.P.
21. Shri S. Parthiban, Executive Director, CENPAP, Hyderabad

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22. Dr. R.P. Mamgain, Fellow, Institute for Human Development, New Delhi
 23. Dr. Suneet Naithani, Associate Professor, Disaster Management Cell, Nainital
 24. Shri Bibhuti Bhusan Gadnayak, District Project Officer, Emergency Section, Collectorate, Cuttack, Orissa
 25. Shri Shailendra Tiwari, In-charge, NRD Unit, Seva Mandir, Udaipur, Rajasthan
 26. Dr. G. Kameshwari, Faculty of Law, LBSNAA, Mussoorie
 27. Dr. Jyoti Pandey, Professor & Head, Faculty of Languages, LBSNAA, Mussoorie
 28. Shri Mantosh Chakraborty, Head, NIC Training Unit, LBSNAA, Mussoorie
 29. Dr. Saroj Arora, SRO, CRS, LBSNAA, Mussoorie
 30. Shri Hari Charan Behera, Research Associate, CRS, LBSNAA, Mussoorie
 31. Shri Jai Singh Shekhawat, Research Associate, CRS, LBSNAA, Mussoorie

The inaugural session started at 10 a.m.

1. *Shri T.K. Manoj Kumar*, Deputy Director (Senior) and Coordinator cum Vice Chairman, CRS, LBSNAA has shown his privileged to welcome the delegates. He gave a brief detail about the Centre and its activities, followed with the importance of this particular National Workshop on "Poverty, Unemployment and Rural Development Programmes". He mentioned that, it's a very important issue that is facing us at this moment and the Ministry of Rural Development is extremely interested in getting inputs from practitioners, academicians and other senior peoples on this subject. He informed that the Centre for Rural Studies is to act as a think tank for the Ministry of Rural Development. They are having very generous in their funding and we publish, recourse, conduct Seminar like this on topics advised by the Ministry of Rural Development and some of our works are used by them as inputs for policy making. He informed that this year the Centre plans to conduct a series of Seminars, this is the second in this series, we already had a Seminar on "Contract Farming" last month and now this is the Seminar on "Poverty, Unemployment and Rural Development Programmes". We have another Seminar slated in the end of the year on "Farmers' Suicide" and we have one more slot for Seminar, which would be deciding in due course. These are all relevant topics in which we find it that we play a useful role in conveying the views of people from Academy, Voluntary Centre and also bureaucrats with the subject by getting together the Seminar papers and publishing them in the form of a book and sending them to the Ministry of Rural Development. In this, we play quite a useful role.

He said that we also play a role in providing a platform for people to publish. There are several officers all across the country working in the Civil Services, academicians would be eager to be published by the Centre like this. We provide them a platform. We normally publish through reputed publishing houses that are mainly in Delhi. We also have a series of internal publications, these books circulated widely among the policy makers, Ministry of Rural Development and in other Ministries and the other VIPs who visit this place. He told that we also provide inputs to the various probationers being trained in the National Academy as well as In-Service Participants of IAS Training Programmes. So the Centre prepares software for training and much of the software is generated from Seminars like this, different peoples come and present papers, we also clarify our ideas to this, so that training based latest views of academicians, voluntary Centres and officers are intimated through the publication and therefore our training keeps on updating. He also pointed that, we have been very lucky today to get with us a galaxy of senior officers and academicians. He informed that paper presentation and discussion would be attempted in the technical sessions, which would follow the inaugural session. These sessions would be Chaired by senior bureaucrats/academicians.

2. In his inaugural address *Shri Padamvir Singh*, Joint Director, LBSNAA welcomed all the participants and asked to enjoy the stay at Mussoorie. He said that so far as poverty alleviation is concern, we have moved a little bit from the way we used to seen in the 70s and 80s at the time we sort of pushing ahead IRDP, TRYSEM, etc. After 20-30 years these rural development programmes have slightly changed now. He pointed out that the kinds of concerns or issues that are becoming important are at the fault; one is that technology has started moving into rural areas at the much faster pace than before. Whether it is impacting on the poor, how it is impacting on the poor is a area of concern. In the last 20 years of technology in ICT, whether it is mobile, etc. has moved into rural areas. But how it is impacting, how it is going to impact on the poor is still a concern for us. He gave a example that with the normal kind of impact of technology there is also been superimpose the national e-governance plan project, which envisages the setting up of few lakhs kiosks across the country which would be servicing the rural areas in different ways. How does it serve the poor is another area we are not very sure. There would be lot of government services being provided through these kiosks, *khasra ki nakal mil raha hai, application form mil raha hai* and so on so forth. There is lot of things happen and may be lot of e-business will start taking place. But how it really is going to impact on the poor is something that need little more thinking and investigation. He informed

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that the development is taking place is the gradual penetration of urban markets into rural markets. The impact that the ITC e-chaupal has made in the state is being studied and it is being studied in the different context bearing on the context of poverty alleviation but how this is impacting on the poor is again something that needs to be revisited.

He pointed out that technology has impacted on *Mandis*, government procurements of food security etc. but how it is ultimately going to impact on the poor is something that needs a little bit of study. He said that there has been a fair amount of pressure in the recent past on accelerating infrastructure development in rural areas. The Bharat Nirman Projects, the PMGSY projects which are building roads across the country. Generally on the roads there has been a lot of investment going on. In Madhya Pradesh, the PWD used to spend about 300 crores per year about 3 years ago, now this year they are spending 1700 to 2000 crores, when you go up from 300 to 2000 crores in the PWD in addition rural development is trying to spend about 2000 crores on roads itself in Madhya Pradesh. So when that kind of money moves into across the states into rural areas, then how it is impact on the poor is again something that needs to be looked at in addition to the rural landless employment guarantee programme etc.

He mentioned that there is lot of build up of the power sector in rural areas. Those are one time of things, other is of course the pace at which urbanization is taking place, how the poor are moving into urban areas and when you reach a figure of about 40% of urbanization then what happens to the profile of the rural areas, where the poor go, do they basically move into urban areas in search of jobs or they are going to be stay into the rural areas. And what exactly is going to happen to the poor moving into urban areas, or staying into rural areas, in which situation they are stay in rural areas. These are the matters of concerned. It is connected to the Presidents wish of *poora programme* providing urban facilities in rural areas, then reverse migration might take place if we strengthen the rural areas. Is it possible that the people might move back into rural areas? How all this is going to impact on agriculture, animal husbandry so on so forth, there of course the focus on education and health. He pointed out that with all these kinds of things happening then what happens to issues of equity. Equitable environment in rural areas are going to end up in a more equitable environment and rural compare to urban areas are going to have more equities so far as rural poor and urban poor are concern. All These issues of equity are going to emerge in the coming years.

3. In his address Shri B. K. Sinha, Additional Secretary, Ministry of Panchayati Raj, Gol said that the quality of papers for this workshop is outstanding, in fact some of the forbidden areas have also been opened up like Dr. Deshpande and few others talking on institutional reforms on the institutional sector governing poverty. He pointed out that he do not propose to enter into specific debate because there is an existing debate by Dandekar vs. Sukha that what methodology we should follow for evaluating poverty, whether it is in terms of intake alone or intake of calories is alone or whether it is in terms of other basket of goods and then what should and how should be evaluating URP vs. MRP. The 61 round NSSO findings are being debated and lot is being come across the paper written by very revered economist Shri S. R. Hashim who has written number of articles and some of them also appeared in the EPW. He said that the 61 round findings rather cursory but going through some of these articles that this debate is going to get further wider and is going to open the debate for the further and take it away from the very conventional areas. One of the reasons is that some how using this URP and MRP debates. The cursorily some 8% vs. 21% that doesn't mean much but in time series as Prof. Hashim's article, Radhakrishna and Shobhan Ray they have come out with time series. The time series they look at these poverty figures of 73-74 and 2004-05 then you find a change of course. When you look at certain other aspects like one of the things that has happened that poverty tends to get concentrated in the certain areas. For instance in the state of Bihar there is a hardly watch of a difference used the head count method that number of poverty and particularly the number of poor because it is one things in terms of percentage that gives a lot of comfort but take the number of poor in absolute terms then you find that for instance in Bihar 3.7 crores in 1976-77 and 4.25 crores in 2004-05. The number of poor in absolute terms is rising and that is when one starts counting the statistics.

He pointed out that the first thing which one is compel to us that where are the poor, who are the poor and there is a lot of studies and data which says that almost 80% poverty overly concentrated in the rural areas. Mr. Somnath Chatterjee also wrote an article in The Hindu which says 80% of our poor are living in the rural areas. The second thing is that the rural areas worsened the urban areas. There is decline in the rural areas in terms of national income, share of national income is going down and agriculture is the largest employer, employing about 64% of our main work force and the share of agriculture in our GDP has grossly declined to 18% and that is the cost fundamental cost that 70% of the people awaiting the agriculture sector for the rural sector out of

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that 64% of the main workers sharing 18% contribution and that is the cause of poverty.

He mentioned that the finding is very clear that the poor are concentrated amongst the landless agricultural labourers and some of the statistics taken from NSSO 50th and 55th round reveal that the agriculture labour and their share of poverty has increased. The number of poor in the agriculture labour has increased from 40.7% in 1994 to 46.8% in 1999-2000. Its a cause of concern for two reasons, one reason is that this also coincides with the post liberalization era and there are a lot of voices which are questioning. The free market operation conditions or under liberalization conditions the share of poverty and the number of incidence of poverty is going down drastically. But there is the evidence to the contrary that their incidence of poverty is declined but again artisans their incidence of poverty is increased marginally and non-agriculture labour of course it has declined slightly from 8.4% to 7.6%. Poverty is concentrated amongst the agriculture labour specifically in Scheduled Caste and Scheduled Tribe. The incidence of ownership of land among Scheduled Caste and Scheduled Tribe is both declined and that is the main cause of poverty. It is not only the Scheduled Caste and Schedule Tribe but there is also worrying factor of poverty amongst the minority communities. He pointed out on the article written by Dr. Jayant Verma, he has given two things first thing is that these are our estimates 211 rupees and 435 rupees for the rural and the urban areas respectively. But if you take the UN estimate of one dollar then you find that almost 50% of the population is below the poverty line. Second thing is that above the poverty line is another range in which 40% of the population is there. S. Mahendra Dev in year 1995-96 has written an article on poverty in which he said that poverty is the factor of three things and later on I added a fourth to that. First is the number of days of employment which an agricultural labour is getting, second is the prices that he is facing, third is that what kind of an asset based that he is having and fourth I have added is that what are the wages he is getting and what kind of social security network that the country have envisaged.

He pointed out that we think in our terminology that the responsibility of eradicating poverty in this country lies upon the Rural Development Department. And there was an author Mr. Bhanu Pratap Singh and he used to write that poverty in the country is the result of the outcome of metro economy policies, trade policies, broad lanes policies, social policies. Percentage of GDP in the Rural Development Department is spending about 0.5% to 1% so through this 1% expenditure how we are

going to address the poverty programmes. This is not a fair proposition and second thing is the conflict between macro economic policy and the micro economics. Look at the poverty figures from 1973 to 2004 in terms of 61 round. We found that there are two models which are emerged one model is that of West Bengal, Kerala, Karnataka or you can say this model has reduced poverty. All these states using one set of technology that is coaching in very vigorous land reforms and the rate of growth. So there has been a sharp reduction in poverty and rise in all other human development indices. The other model is also equally efficacious and surprisingly in terms of rather district that in Gujarat where productivity in the agriculture sector rise about 10% and there has been a sharp increase in poverty.

He suggested that we need to integrate all that in irrigation. Empowerment of the panchayats becomes a very critical issue and vote as a measure of micro policy and measure of macro policy. PRIs have a very important role in terms of three Fs that is functions, functionaries and finances, there must be empowerment and the panchayats have to become the lead institutions. NREGA is devoted 50% of implementation directly through panchayats. The NREGA which is getting implemented by the panchayats they are doing relatively better, therefore, we need to strengthen as a measure of national policy and to root this panchayats have to become the rallying point and we have come out with the recent programme of BRGF (Backward Region Grant Fund) where the district plan for the entire region. There is no escape from trusting the panchayat and strengthening the panchayats. He concluded that certain battles might have been lost but the war is not lost and therefore we need to build up our strength in fact I would like to circulate a paper I have written "Learning from the People Experience" and there is so much that we need to learn from ourselves and the second thing is that let us look to our own capability.

The inaugural session concluded at 11.00 a.m. and was followed by a break of 30 minutes for tea and the group photograph. It was followed by the technical session.

TECHNICAL SESSION-I

The first technical session on **Rural Poverty and Interventions in Poverty Alleviation** started at 11:35 a.m. *Shri B.K. Sinha*, IAS, Chaired the session and *Dr. Sukhdev Singh* and *Dr. Saroj Arora* acted as a Rapporteurs. In this session eight papers were presented by experts of different areas related rural poverty and interventions in poverty alleviation.

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(11.35 a.m. – 11:55 a.m.)

Dr. Abusaleh Shariff has presented his paper on "**Poverty and Equity at the turn of the 20th Century in India**". Dr. Shariff in his presentation has focused mainly on the issue of equity across different social categories. His presentation was based on the 60th round of NSS data on poverty. He said that Indian economy can be classified into three categories. These are primary (agriculture), secondary (manufacturing) and tertiary (service sector).

In agriculture sector, share of labour has been declined drastically. In the coming days, it is the service sector which is going to provide jobs. He classified service sector into two categories: one, organized and unorganized; two, modern and traditional services.

He said that data of 1973 to 2004-05 shows that although poverty has been declined but absolute poverty is not declining. Incidence of poverty is higher in Orissa, Bihar, M.P. & U.P. But A.P. has the lowest number of families of BPL:

- Earlier urban poverty used to be less but now urban poverty is also increasing and rural poverty is either stagnant or declining. In rural poverty, higher poverty is among agricultural and casual labour. Simultaneously, there is a trend of migration from rural to urban areas. Urban poverty is increasing.
- So there is a need to re-consider to address the problem of wage labourers, SCs, STs, OBCs, HCH, Muslims and others while dealing with the problem of poverty. Highlighting the findings of Sachhar Committee, he said, after Dalits, it is the Muslims who are the most poor people. Poverty is high even among salaried class also. So in today's socio-religious and occupational set-up, we have to look poverty carefully.
- The most important parameters to assess poverty can be literacy rate. Literacy alone can leads to poverty depression.
- He said that even after 50 years of independence, poor literacy rate shows that the Government has not been able to provide the basic services. Although the results of various studies show that among SCs, poverty falls, if literacy level goes up. Thus, it shows that the importance of education is very secular. And education is/ can be the tool to alleviate poverty. There is a depth of poverty in rural areas.
- Dr. Shariff said that in India, poverty cannot be reduced unless something revolutionary happens.
- On Public Distribution System, he said that there is a mismatching between PDS and people BPL. For example, in his study he found that

20% have no cards, 36.2% have cards but of APL. In Andhra Pradesh there is a problem in the definition of BPL.

- Dr. Shariff has suggested that at the end of the workshop, we should try to find out how BPL and PDS may be linked up. We should also identify that what parameters should be used for these linkages. He added that there should be multiple ways of understanding these problems. We have to get away from the traditional approach of understanding.

(11:55 a.m. – 12:30 p.m.)

Dr. Kalyan Shankar Mandal presented his paper titled **“Privatizing Poverty Alleviation: Towards Business solution for Poverty”**. In his paper, he attempted to review the role of Government in poverty alleviation. Referring to various development programmes such as SFDA, IRDP and SGSY, Government tried to eradicate poverty but results have not been very encouraging. Promises have been made but less have benefited. Government has failed to do much for poverty alleviation. So we need to go for the alternatives. But in the changing economic scenario, the private sector should be allowed to develop the mechanism to cope up with it. Now it is the poor who have to operate in the market. He suggested that corporate sector can be one source of reducing poverty especially by spreading the network of market among the poor regarding various products. He cited examples of ITC, HLL and Arvind EYE Care, who proving helpful in poverty reduction. However, his presentation was couched with many question marks raised by the participants.

(12:30 p.m. – 12:50 p.m.)

Prof. R.K. Panda presented the paper on **“Rural Poverty and Agricultural Development – an Interface”**. He has analyzed poverty from three dimensions: (i) Rural poverty at India level both in urban and rural areas; (ii) State-wise variations in poverty; and (iii) Can the problem of poverty be solved? Data of 3 decades has been taken for analyses. Dr. Panda has said that the trend shows the overall number of poor has fallen down and analysis further shows that rural poverty has fallen and urban poverty has increased, although the decline in rural poverty is very low as rural poverty has been transferred to the urban poverty. Besides, Orissa and Bihar, poverty has increased in Assam and Haryana. One of the important seems to be that the public investment in agriculture is falling down particularly in sphere of agriculture:

- He suggested that there are two ways through which poverty can be reduced. One, through education, as has happened in Kerala & West Bengal and two, Punjab and Haryana, where growth has remained the basis.

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- Dr. Panda has said that the growth rate of agriculture is declining because IT boom, poor has no such opportunity left with them for the jobs. With the result, rural poor turned into urban poor. Across the states, growth of agriculture varies. He further added that the agricultural growth is not sufficient; we have to diversify in horticultural and animal husbandry as an avenue.
 - Poverty reduction progress like NREGA, etc. are time bound programme.

(12:50 p.m. – 1:20 p.m.)

Dr. Sanjeev Kapoor has presented his paper titled "**Vulnerability and Rural Poverty – Enlarging the Scope for Microfinance in India**". In his paper on Vulnerability and Rural Poverty – Enlarging the Scope for Microfinance in India, Dr. Sanjeev Kapoor discussed the role of micro finance coupled with insurance for developing the poor and assets creation. He unfolded that creating an asset is not the problem rather to maintain and to use it for productive purpose is real issue. He argued that there is clear demand for providing the poor with insurance services to help them better manage risk both ex ante and ex post.

(1:20 p.m. – 1:40 p.m.)

Mr. Jayant Verma has presented the paper titled "भारत में गरीबी: कारण एवं निवारण". Dr. Jayant Verma in his paper "Poverty in India, Reasons and Remedies" highlighted the prevalence of poverty in India in a historically perspective. He held that poor are poor because they have no control on natural resources viz. land, water and forest etc. He cited that 20% of rich of the world have capital then 82% of the other. He told that Britishers were one of the major causes for increasing the poverty in India. On present agricultural scenario he suggested that if the Minimum Support Price is increased poverty in the rural areas can be reduced.

He tried to analyze poverty from the following four perspectives: (a) human rights, (b) budget, (c) planning and (d) constitutional rights. He said that although our economy is expanding yet 32% our population is still below poverty line. Simultaneously, over the years, the numbers of middle class families have increased.

- As far as poverty is concerned, different national and international organizations have defined 'poverty' differently. So there are different criteria for assessing the poverty level. There are no single criteria for it. For example, UN data decides one dollar per day. Overall there are 31 criterions.

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Causes of Poverty:

Mr. Verma has said that the survival of the poor is based on natural resources. Controlling of these resources by enacting laws, create survival threat among these communities whose lives are dependent on that. This further accentuates poverty. Thus natural resources such as lands and water, etc. are enacted with law and laws have been enacted in such a way which further, perpetuates poverty and inequality.

- Artisan communities whose livelihood was based on a particular skill are not able to gain the benefit of development projects hence, migrating to the urban areas. Therefore, there are two ways out to tackle the poverty. One, either rich people could give up their comforts and two, or the proletariat go for a revolutionary way out.
- In India, although, land reforms laws have been enacted but yet still a large number of absentee landlords do exist.

During British period, Britishers have relied more on the information provided by the Bureaucracy. They did not rely on the common people. Most of the central laws (Forest Act, Land Acquisition Acts) have been enacted during British period. Britishers have exploited all the natural resources and at the same time enacted various laws. A struggle is going on to change these laws. A poor cannot feel proud on the laws and the Constitution of India. During framing of Constitution, the village was not kept into consideration.

- The criteria taken into account for assessing poverty itself contradict with the Constitution meaning thereby that the Constitution itself is full of contradictions.
- There is an increase in agriculture production but there is always a problem with regard to the fixation of price. This is one way which is leading to farmers' suicide. Although Article 32A deals with reducing the inequality. This shows that there is a problem with the Planning process.
- Budget for rural development is so less that it will not enable to reduce the poverty.

(1:40 p.m. – 2:00 p.m.)

Mr. Bibhuti Bhusan Gadnayak Panda has presented the paper titled "**Poverty Alleviation at the grass Root Level: SHGs as an Instrument**". Dr. B. B. Gadnayak highlighted the role of SHGs in three blocks of Cuttack and maintained that these groups are proving helpful in poverty reduction though many beneficiaries of SHGs neither have clear understanding of various schemes nor do they have any relationship with

implementing agencies at different levels. Thus, steps should be taken to minimize the communication gap and the local agencies. He held that role of Panchayati Raj Institutions can be more conducive for making SHGs more functional.

(2:00 p.m. – 2:40 p.m.)

LUNCH

(2:40 p.m. – 3:05 p.m.)

Dr. C. Ashokvardhan presented his paper titled "**The Challenge of Rural Poverty: A case for fresh interventions**". He said that Poverty has been commonly defined as an unacceptable deprivation in well-being. Its measurement is rather difficult as the notion of "well-being". It has economic and non-economic dimensions. Access to free government services with respect to one family and the absence of such an access for another, will have differentiated outcomes vis-à-vis impoverishment, despite both the families having similar income levels. Imperfections in markets coupled with differential or discriminated behaviour, social or cultural, may lead to lop-sided economic growth. Hence, income and consumption based measures to grasp the magnitude of the problem may not be adequate. Steady diminution in human capabilities, dilapidated skills base, meager or no access to education, undernourishment and depleted health too count for the myriad facets of poverty, besides low incomes/ consumption levels.

(3:05 p.m. – 3:30 p.m.)

Prof. R. S. Deshpande has presented his paper titled "**State policy, Poverty and Rural Development**". He mentioned that the formidable challenge confronted by India at the time of Independence was in the form of a large proportion of its population being poor. During the last five decades, India's tryst with poverty was met only with checkered responses. These were characterized through policy interventions in terms of programmes drafted at the central government level. Most of these interventions were designed at the bureaucratic level having specific situation in mind. He also pointed out in the context of the new liberalized economic policy adopted by Government of India, it will be necessary to formulate a medium term policy intervention dealing with poverty alleviation. Among the immediate steps that need to be taken towards such policy is to constitute a task force to have a look at the heterogeneous nature of poverty across regions in India. The state specific problems as well as the policies for the depressed groups must be on the top of the agenda. The focus on providing incremental employment seems to have worked well in the past. This can be the major policy plank but the agricultural laborers

belonging to the Scheduled Castes and Scheduled Tribes need specific safety net programmes and a well-directed alternative.

TECHNICAL SESSION-II

The Second Technical session on **Unemployment & Poverty Scenario in Rural India** started at 3:40 p.m. Dr. C. Ashokvardhan, IAS, Chaired the session and Prof. M. Thangaraj and Jai Singh Shekhawat acted as a Rapporteurs. In this session five papers were presented by experts of different areas related to unemployment and rural development programmes.

(3:50 p.m. – 4:10 p.m.)

Prof. K. Gopal Iyer in his article on **“Youth’s Share among Unemployed in the Indian Scenario and Youth Unemployment in Punjab”** clearly brings out the fact that in India, the problem of unemployment is the problem of youth unemployment. He further states that unemployment rate among urban youth is much higher as compared to rural youth. Nearly 70 per cent of the total unemployed youth in Punjab come from rural areas. Unemployment problems were dominated by educated unemployed in Punjab. There is a shift away from the Punjab agrarian economy towards industrial and tertiary sector activities.

The scenario of border economy is concerned the per capita income in the border district is 10 per cent lower as against the non border region. The persons employed per industrial unit are lower in border region as against the non border region.

(4:10 p.m. – 4:35 p.m.)

Dr. Rajendra Mamgain has presented the paper titled **“Employment, Unemployment and Poverty in Uttarakhand”**. In his article, he has highlighted that nearly 40 per cent of the people in the State is living below poverty line. He further stated that Uttarakhand is also facing the problem of working poor. Agriculture is major source of employment. Although the structure of employment is moving towards the non-agricultural sector over the years in the case of male workforce. The incidence of unemployment is much less in rural area in Uttarakhand as compared to all India level.

The author states that a number of Government programmes have been evolved over the years to alleviate poverty and unemployment both in rural and urban areas. One set of programmes aimed at improving income levels of the poor households another set of programmes provides wage employment to the poor households. Under the employment

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generation programmes, wage paid to the labourers was low as compared to prevailing wage rate.

(4:35 p.m. – 5:00 p.m.)

Dr. Sukhdev Singh has presented the paper titled "**Role of Poverty Alleviation Programmes in Punjab: Some Field Land Observations regarding IRDP and SGSY Programmes**". In his article, he has examines various aspects relating to access and utilization of these programmes. The author shows with the statistical evidence that Punjab is one of the economically advanced States of India having less population below poverty line. In order to analyze the role of poverty alleviation programmes, the author collected primary data from Patiala district.

The author found that loans under IRDP went by and large to the deserving ones but lot of time and effort were made by the beneficiaries to get loans and also they had to bribe the officials. About half the beneficiaries mis-utilized the loan for other purposes. Only one-fourth of the loanies could increase their income after these borrowings.

The group approach started under SGSY and NABARD indicated that after joining the SHGs, a sense of saving emerged among the members of the groups.

The SHG members have received reasonable monthly income. The members also were able to change their occupation. None remained as agricultural occupation. Social status has also increased among the members.

(5:00 p.m. – 5:25 p.m.)

Dr. Pradeep Bhargava has conducted a study on "**Realizing Rights: The National Rural Employment Guarantee Programme**". The NREGA Act provides entitlement to being employed on public works without delay. The Employment Guarantee Act provides a universal and enforceable legal right to the most basic form of employment and an assurance of the Fundamental Right to live with dignity. The Act provides for an approval of the Grama Sabha of various works to be undertaken in the Panchayats.

This paper is based on the experience of the author regarding implementation of the NREGP in two districts of Rajasthan.

Some findings relating to (i) participation in planning, (ii) demanding work as a right, (iii) implementation processes, (iv) work wages, (v) right to information, (vi) social audit and (vii) the impact of the scheme are presented in this article.

(5:00 p.m. – 5:25 p.m.)

Mr. A. A. A. Faizi has presented the paper titled "**Rural Unemployment Future Strategy**". In his article, he said that the rural areas are beset with the problem of employment in all its forms – unemployment, under-employment, disguised employment, unproductive employment and negative employment. Admittedly, there is a growth in agriculture sector even if it is on the low side. The base of growth in the decade of 80s has declined from almost 5% to 1.6% in 2003-04. Even this growth is not attended by employment gains. In fact in some of the States, there is a negative growth in employment. He concluded that Poverty is a complex issue and there is no one solution. The fact that we have not been able to eliminate poverty in the last 60 years of our Independence is severe indictment of our entire governance system. It is not fair to presume that 5.5% of the GDP invested in the Rural Development Ministry would be able to cure poverty at the national level.

**Day Two- 7th April 2007
TECHNICAL SESSION-III**

The third technical session on **Rural Development Programmes & Role of NGOs, CBOs and PRIs** was started at 9:30 a.m. Prof. M. Thangaraj, Chaired the session and Dr. Sanjeev Kapoor and Mr. Hari Charan Behera acted as a Rapporteurs. In this session five papers were presented by experts of different areas related to rural development

(9:40 a.m. – 10:05 a.m.)

Dr. N. Narayanasamy has presented his paper titled "**Triggering Rural Development: Complementarities between NGOs and SHGs**". He talked about equity and sustainability which are the principles underlying the objective of wellbeing. Equity and sustainability are principles, which qualify livelihood to become livelihood security, secured right to resources such as food and basic services and building up of capacity and capabilities. One of the important points discussed by him is capital. He discussed about 5 different types of capitals such as natural capital, human capital, physical capital, financial capital and social capital. He pointed out that Non-Government Organizations (NGOs) and Community Based Organizations (CBOs) along with Government Organizations play significant role. The NGOs' roles in particular as discussed by him are: public service contractor, collaborator, innovator, social critic and builder of civil society institutions. Each point was again discussed elaborately by Dr. Narayanasamy. He discussed that NGOs act as promoter, facilitator, motivators and catalysts for development of SHGs. With regard to

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complimentary between NGOs and SHGs, he reflected that SHGs are very close part of NGOs, e.g., the strong SHG lead to community mobilization for developments. In each of the stage, the NGOs need to possess a profile, develop skills and capacity and perform certain tasks. He discussed various stages in supporting this. These are: preparatory stage, facilitation stage and accompanying stage. At last, he presented the close relation between SHGs and NGOs through graphical display.

The presentation of the paper was followed by discussion among the participants. The first point raised by Dr. C. Ashokvardhan was that the creation of social group is difficult task, so how to deal with the creation of social group. In response to the issue raised by Dr. Ashokvardhan, Dr. Narayanasamy pointed out that we need to have obligation based approach, which is more or less philosophical. So, slowly it can be achieved.

The second point was raised by Mr. S. Parthiban on SHGs role in the context of Tamil Nadu in support of the views of the speaker. Dr. Mamgain's point was NGOs are entrepreneurs rather than making more entrepreneurs. Dr. Deshpande reflected two types of sustainability such as of intra-group sustainability and sustainability of institutions between groups. Any group or set up groups have four sets of components such as simmering, splintering, adhering, and dominating. We have to focus on these components while reflecting sustainability. Mr. Gadnayak raised the issue from Orissa perspective. He pointed out that the number of NGOs and number of villages in the state of Orissa is almost same. Despite that, Orissa is poverty stricken.

Responding to a few of the above queries and issues, Dr. Narayanasamy answered by giving some examples. He gave examples of SGSY scheme and how NGOs play significant role such as in social mobility and providing congenial environment. He again said that critically examining the role of NGOs is difficult because detailed and reliable data are not accessible.

(10:05 a.m. – 10:35 a.m.)

The second paper on "**Integrating common lands in watersheds**" was presented by *Shri Shailendra Tiwari*. He said that agriculture is the major economic source; therefore, through agriculture we can bring change. Watershed Development emerged as a developmental programme to bring change in livelihood. The analysis was derived from a case study taken from the state of Rajasthan. He pointed out that there is 20%-100% of forest land encroachment in 7 districts of Rajasthan. 69% of pasture land are encroached either partially or fully.

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He reflected the issue of watershed treatment programme, which he said a different approach is needed for it. Common land should be delineated on the ground and its entitlement should be well established before undertaking any interventions in the watershed programme.

Watershed group is more heterogeneous, which includes poor, rich, powerful, etc. It needs to set the property relationship, social relations and power relations. With regard to encroachment he said that encroachment can be prohibited through community participation, the encroachers have to be compensated; to check encroachment there is need of awareness and advocacy. Therefore, comprehensive land development is not possible. Community building process should be generated.

The discussion session was started at 10.25 a.m. Some important points were in response to the presentation were raised by Prof. Gopal Iyer, Prof R.K. Panda and Prof. R.S. Deshpande on community managed land by tribals, homogeneity of social interest, transferring agricultural land for non agricultural purposes, etc.

Shri Tiwari responded to the above points by saying that Jati Panchayats are responsible for social conflicts but not tribal panchayats. Jati Panchayats are monopolized by rich and powerful. We need to develop institutions to create awareness. From CPR point of view, Rajasthan is critical. With response to bringing homogeneity of social interest, he said that identifying interest of the encroachers is necessary. Responding to the issue of transferring agricultural land for non agricultural purpose, he reflected the issue of encroached land taken for the non agricultural purpose is often lying waste. Therefore, proper actions need to be taken.

(10:35 a.m. – 11:00 a.m.)

Third paper was presented by Shri S. Parthiban on "**Poverty, Unemployment and Development Programmes: A Case Study of Community Forest Management in Andhra Pradesh**". Three major components of his discussion are (i) Enabling Environment (ii) Forest Management, (iii) Community Development. These approaches for Research and Development (R&D) are used with the idea that unless there is development of forest dwellers it is difficult to think of natural resource management (NRM). The important point in the discussion is the role of Vana Samrakshyan Samiti (VSS) in income generating activities, recognition of tribal rights, developing fodder resources and community involvement. Poverty alleviation is the major activity carried out by VSSs.

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Most of the employment generating activities are carried out during off-season i.e., during non agricultural season, which is additional employment for the poor people. Project affected families are also given emphasis for wage earning opportunities and other income generating activities

The discussion on the above presentation was started at 11.00 a.m. In discussion session, some of the important questions were raised by Dr. C. Ashokvardhan, Mr. Shailendra Tiwari, Mr. B.K. Sinha and Mr. Behera. Dr. C. Ashokvardhan raised the issue of marketed produce and tribal rights to forest produce and whether or not the proper channel and proper person for accessing to remunerative price of the produce. Mr. Tiwari's question was on tribal Bill. The question was "Tribal Bill has been cleared by the Parliament, so how can we implement the Tribal Bill for minimum distortion?" Shri B.K Sinha responded to Tiwari on the Tribal Bill. He said, there is PESA Act, which is well organized and the Gram Sabha has been due recognized under the Act. There is tribal advisory council too for the purpose. But the important point is how to work in the grass root level.

The second point he explained is the minor forest produce and the proper channel with response to issue raised by Dr. C. Ashokvardhan. There are central institutes like Central Lac Research Institutes and the state centres for providing proper safe-guards to tribals' protection.

Responding to the issues raised by Mr. Behera on attitude of forest officials, role of VSSs and pressure of funding agencies, Dr. Parthiban said that capacity building programme is one of the important activities that address the issue of attitudinal problem. NGOs facilitate the documentation. The villagers also do the micro plan exercise, the project was started 10 years back, there are always lots of monitoring mechanisms, lots of supervision and there is always pressure for implementation. State Government does not want to loose the fund; therefore, there is pressure for implementation.

(11:00 a.m. – 11:35 a.m.)

Dr. Suneet Naithani has presented the fourth paper of the session on "**A NRDMS Approach to Evaluation and Monitoring of Government Schemes: A case study of Almora and Ranchi District**". He discussed some of the following important points such as integrated development, decentralization, Geo Referenced Area Management, GIS which helps in retrieval, analyses, interpolation and manipulation of data for planning. He discussed briefly the role of GIS. He said that we have to create an integrated data base for plan and which would ultimately reach to the users. This is a mechanism for e-governance. GIS gives detailed picture

about the data related to population census, geographical location, etc. Therefore, it helps out for developmental planning. People's participation is also important activity carried out for village resource mapping to assess the need of the villagers. He gave examples of SGRY and RSVY (Rastriya Sum Vikash Yojana) schemes and through GIS he identified the villages which are not covered under the scheme. Therefore, GIS will help for data base creation and data base can give data to the policy makers and implementers.

The discussion is followed by the participants at 11.30 a.m. The first question was raised by Dr. Mamgain on the role of GIS package on child development nutrition programme; he said that there are lot of data inconsistencies and lot of delay in data inputs. Responding to him, Dr. Naithani said that the beauty of the programme is to update the data anytime; there is nodal officer who can rectify data day by day. It is a regular scientific way to check the data. It can give the scale. Dr. R.S. Deshpande pointed out that human being in entire process should be present in all the process, and nodal officer should be in open mind. The presenter pointed that the GIS is a tool not a subject, he agreed that the human presence is must. He said that it is easy for the people to learn the package. Mr. Bibhuti Gadnayak supported the views of Dr. Naithani through his experience from Orissa, where GIS was a useful tool for locating flood affected areas, water flow and others.

(11:35 a.m. – 12:55 p.m.)

The fifth and last paper was presented by *Shri. B.K. Sinha* on **“Quest for institutional alternatives in poverty alleviation: The case of the Panchayats”**. The important points of his discussion are: the behaviour of poverty, the anatomy of poor, and the factors of poverty. From the point of Robert Chamber, he discussed the factors such as asset less, articulation, social capital, limited access to the market, reduced information flow, lack of bargaining power, etc. Then he talked about the role of Panchayati Raj and history of Panchayati Raj, and a brief discussion was also on the structure of Panchayati Raj and nature of 73rd Amendment. Then he discussed on post 1992 development that includes enactment by states, big bang approach, state specific model, empowerment of women, social empowerment, rural business hub, etc. Apart from the discussion on development, there was also discussion on certain handicaps that hinders development such as deficient capacity, unwillingness of states to devolve, rent seeking behaviour, social fragmentation, rises in conflict, parallel bodies, lack of integration, etc. The very important discussion in his presentation is on 'way ahead'. Under this, he highlighted some of the points such as empowerment of panchayat through the devolution of 3 Fs such as function, functionaries and

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finances; grass root planning, information system, annual crop plan, irrigation plan, fertilizer bank, village banking, etc.

The discussion session was started at 12.30 p.m. The first point was raised by Dr. Gopal Iyer. He raised some constraints and issues. He viewed that the Panchayati Raj has left the villages divided between present panchayat and past panchayat. It has accentuated the exclusion of some groups; villages are still upper class and upper caste dominating in PR Institutions. Dr. Deshpande talked about the vested interest lies with the central, state and district functionaries. He also pointed out that the religion and caste are not the sole factors responsible if the providers do not conceive this notion. He also discussed on decentralized procurement system. Dr. Ashokvardhan asked if there is any role PRIs as far as land as an asset is concerned. Mr. Parthiban conceived that the decentralization is not the only solution, but the aspiration of the people should be well taken care of. Dr. Sukhdev Singh said the real power is not reaching to deserving persons through panchayats, unanimity is going down, privatization should not be promoted rather than promoting cooperatives, Dr. R.K. Panda raised the issue related to the role of private agencies and middle traders, he said that in this context in what extent the village panchayats would be able to solve the problems, how the panchayat would be able to resolve the issue of logging funds. Tiwari focused the issue that the people in panchayats are not aware of the role and functions, therefore, capacity building is very important thing needs to be taken care of and second point was on the political fractions. Dr. Jayant Verma said that Acts are not properly amended, therefore, Gram Sabhas are helpless so far as forest land is concerned; PESA won't be successful until the Acts are properly amended and the people are empowered. Responding to political fraction, Dr. K.S. Mandal pointed out that the political will should be there and there is nothing wrong with the political will.

Responding to Dr. Gopal Iyer, Shri Sinha replied that distortion is a part of the process, but in due course it would reach to some level of success. Responding to the model states such as Kerala and Karnataka, he explained from his fieldwork experience. He replied to the query of Dr. Ashokvardhan and said that land as assets should be properly recorded. Record of rights should be placed before panchayat to know the details. Panchayat would trace the alienated land. He also responded to the query on 'financial devolution' and talked about consolidated fund and the regulation. His view is that there is need to provide space for grass root level implementation and it would of course take some time. He agreed with the view of Mr. Verma about the proper amendment, and finally he focused some points in support of rent seeking behavior and others.

(12:55 p.m. – 1:00 p.m.)

After the discussion on the paper presented by Mr. B.K. Sinha, the session was ended with thanks given by the Chairperson of the session, Prof. M. Thangaraj.

TECHNICAL SESSION-IV

The fourth technical session on **Group Exercise for the Policy Recommendations** was started at 1:00 p.m.. Shri Padamvir Singh, IAS, Joint Director, LBSNAA has Chaired the session during the presentation of the sub groups.

(1:00 p.m. – 2:00 p.m.)

All the participants were divided into three groups and asked to make the policy recommendations for their group. The three groups are as follows.

1. Standard Definition of Poverty and Poverty Alleviation.
2. Unemployment Reduction.
3. Measures for strengthening of various Rural Development Programmes.

(2:00 p.m. – 3:30 p.m.)

Lunch

(3:30 p.m. – 5:30 p.m.)

The concluding sessions of the workshop started at 3:30 p.m. in the Conference Hall. The purpose of this session was to enable the Chairpersons of the technical sessions to give their remarks on the papers presented and also to draw up a list of recommendations of the Workshop.

Group-I on *Standard Definition of Poverty and Poverty Alleviation* has presented their recommendations and after the discussion following recommendations were finalized.

Recommendations for Standard Definition of Poverty and Poverty Alleviation

Standard definition of Poverty

"Non-accessibility to basic necessities of life for himself and for his family. Economic as well as social deprivation through assetlessness, social discrimination, lack of human capability, depleted skill base, high vulnerability to shocks and risks and poor capability to cope up with shocks and risks".

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During discussion it was decided that there should be standard and proper measure and scale for the poverty measurement.

Recommendation for Poverty Alleviation

- Ceiling surplus land embroiled in litigation should be disposed off by fast track courts/ land tribunals.
- Right of sharecroppers should be recorded in line with West Bengal which has shown rise in agricultural productivity.
- Massive surveys should be conducted in tribal pockets to identify land alienation and ensure restoration of land to tribes.
- Improving the availability of land held by the poor and enriching through inputs and incentives.
- Basic literacy and job skills should be improved among the poor to ensure jobs in agro-based industries to begin with.
- Rural non-farm activities in the form of animal-husbandry, poultry, piggery, artisans, cottage industry, small business and tertiary sectors need to be developed.
- Strengthening, monitoring and evaluation mechanism be developed to avoid the pitfalls of the existing rural development programmes.
- Increasing the productivity of agriculture through extension services and appropriate low cost and subsidized technology. Ensuring conservation and optimal use of available water.
- Scope of horticulture in dry and hilly areas may be explored and promoted through processing, storage and marketing network.

Group-II has presented their recommendations for *Unemployment Reduction*. The following recommendations were finalized after the discussion:-

GENERAL PRINCIPLES

- Non Farm rural employment is essential for poverty alleviation.
- Scope for basic employment in the farm sector.
- Different kinds of unemployment
 - Not willing to work
 - Not able to work
 - Disguised employment
 - Under employment
- Non-farm employment critical in poverty alleviation.
- Private capital investment necessary for rural areas to stimulate employment.
- Building up of partnership with private sector.
- Induction of panchayat in PPP Model for facilitation.

FARM SECTOR

1. Diversification to upper end products necessary.
2. Use of fallow and waste land for higher value crops e.g. Jetropha.
3. Value addition to the farm produce
 - preliminary agro-processing
 - upgradation of skills
 - dissemination of skills/technologies
 - grading
 - packaging
 - storage
 - transportation
 - marketing
4. Access to Finance
 - technology
 - information
5. Organization
 - SHGS
 - Cooperatives
 - Panchayats
6. Role of Panchayats
 - Enabling conditions
 - Linkage with farm/SHGs
 - Linkage with government
 - Negotiation
 - Enforcement of Contracts
 - Mobilization of public opinion
 - Conflict Management

NON FARM SECTOR

1. Tourism
 - Enormous scope
 - Creating awareness
 - Creating infrastructure
 - Providing support services
 - Training/ skill formation
 - Inter-linkage with other industries
 - Use of IT/ other
 - Private sector/ NGO support
2. Micro Enterprise Development
 - SHGs/Cooperatives/NGOs

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- Support system
 - Training/entrepreneurship
 - Infrastructure support
 - Linkages
 - Marketing support
 - Brand equity
 - Use of IT/technology

3. Service Sector

- Marketing centre/work place
- Marketing of rural goods
- Building of infrastructure
- Training/skill formation
- Certification of training
- Creating information flow
- Innovative approach
- Flexibility in programme structure
- Learning from the people
- NGP/PPP
- Trusting the people

Group-III on *Measures for strengthening various Rural Development Programmes* has presented their recommendation. The following recommendations were finalized.

The following Thematic areas are identified for *strengthening various Rural Development Programmes*.

- EMPLOYMENT
- RESOURCE BASE ACTIVITIES
- INFRASTRUCTURE
- SOCIAL SECURITY

EMPLOYMENT

- Wage Employment
 - NREGA & SGRY
- Self Employment
 - SGSY (microfinance)

Recommendations:-

WAGE EMPLOYMENT

- Generate awareness mechanism
- Capacity building of all the stake holders

- Need based activities
- Realization of appropriate wages/ increase number of days

SELF EMPLOYMENT

- Thorough exercise for the need based and appropriate enterprise
- System for marketing
- Special efforts to get poor on the board
- Capacity building

RESOURCE BASED ACTIVITIES

- Land-watershed, wasteland development programmes
- Water-Irrigation, APID
- Forest-Social forestry & JFM

Recommendations:-

- Dove tailing of different schemes
- Institutional linkages
- Encourage collaboration
- Emphasis on development of CPRs
- Ensuring equal representation from women and weaker section

INFRASTRUCTURE

- Water & Sanitation
- Health
- Education (SSA)
- Road
- Energy

Recommendations:-

- Capacity building of PRIs to handle these programmes
- Monitoring and administrative flexibility
- E-governance at PRI level/GIS based P&M

SOCIAL SECURITY

- Insurance
- Old age pension
- Nutrition management
- SC, ST and minority welfare
- PDS

Recommendations:-

- Coverage of family benefit schemes to 100%
- PDS and procurement at PRI level

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- Micro insurance should be facilitated, Insurance cover to be provided on pre-decided share of rural areas

(4:00 p.m. - 4:30 p.m.)

Valedictory Session

After finalizing the recommendation of all the three groups Joint Director, LBSNAA and Coordinator cum-Vice Chairman of Centre for Rural Studies has distributed certificates and mementos to the participants followed by vote of thanks by *Jai Singh Shekhawat*, CRS.