

## PERSPECTIVES OF RURAL DEVELOPMENT IN INDIA

Dr. K. Rajendran. MBA, Ph. D.\*

India, one of the world's oldest civilizations with rich cultural heritage, is the world's largest democratic country having vast natural resources coupled with talented human resources and it is the seventh largest country of the world, with respect to population it is the largest country next only to China and recently it became the sixth country to conquer space for the development of the country. Some of the states in India are bigger than many of the countries and the difference in culture, civilization between states is wider than the variation between India's neighboring countries. It is a country of wide variation – some parts prone to continuous drought and some parts of the country have perennial rivers as irrigation water sources, some states with high advancement in industrial development and some states with poor industrial and infrastructure development. Some states have high degree of socio economic development whereas some states are trailing behind in socio economic development and regional disparities are common in the country.

With these diversities in unity our country has been successful in the following fronts

- banished the specter of famines
- reduced absolute poverty by more than a half
- dramatically improved literacy

\* Additional Director, Department of Sugar, 690 Anna Salai, Chennai 600 035, India.

- vastly improved health conditions
- One of the world's fast growing economics of world with average growth rate of 8% in last 3 years
- Now world's fourth largest economy in purchasing power parity.

Total population in the country as per 2001 census is 1028.7 million and rural population is 742.4 million which is 72.17 percent of total population that is why the statement India lives in villages is always true. There is a growth rate of 21.3% when compared to previous census (1991) in which the total population was 846 million.

More than 72 percent of population (it was 74.3 per cent of population in 1991) lives in 593731 villages and their livelihood depends on agriculture and its allied activities. Agriculture contributes 25 percent of GDP (it was 56.5 percent in 1951) and being an agrarian country our economy is characterized by low growth rate, growing unemployment and under employment, growing population below poverty line and increasing inequalities in distribution of income and capital formation. Government of India realized that real solution to the massive problem of poverty and unemployment lies in the development of agriculture, industrialization and rural development. Various efforts taken by the Government of India in the form of programmes, projects, plans and schemes, have made a remarkable progress in the industrialization of the country after its liberalization from the colonial rule which lead to the decline in the share of agriculture in GDP and increase in share of secondary and tertiary sector in national income. In rural areas there are remarkable changes, which converted traditional agriculture into high tech agriculture and the emergence of non farm sector economy resulted in reduced dependency on agriculture. Poverty eradication is the major task of the Government. The Government of India, through the Ministry of Rural development, has implemented a number of poverty reduction programmes to bring rapid growth to the economy and this paper analyses the

various rural development programmes in India. These programmes have reduced poverty to a considerable extent. The table 1.1 highlights the poverty levels in India from 1973 to 2004.

**Table 1.1 Estimate of poverty from 1973 to 2004 (All India)**

Year	Percentage of people below poverty line			No. of persons below poverty line (in millions)		
	Rural	Urban	Combined	Rural	Urban	Combined
1973	56.44	49.01	54.88	261.30	60.00	321.30
1983	45.65	40.79	44.48	252.20	70.90	323.10
1993	37.27	32.36	35.97	244.00	76.30	320.30
2004	28.30	25.70	27.50	220.90	80.80	301.70

Source: Planning Commission, GOI & PIB, GOI, 2007.

The Table 1.1 shows that the poverty level in 2004-05 is reduced by 50 per cent compared to the poverty level during 1973-74. But in absolute terms, still a large number of people are in poor state. It remains as a major problem confronting rural development. Even after sixty years of independence, a quarter of population remains below poverty line. The level of poverty reduction during the last three decades is less than one million per year. At this rate, it will take 300 years to eliminate poverty in the country (Steering committee, Planning Commission, GOI 2007)

According to World Bank norm of one dollar a day, 42 per cent (296 million) of population were below poverty line in 1981.<sup>1</sup> The number of people living on less than US \$ 1 per day in India is significantly greater than the entire population of the United States.<sup>2</sup> But if \$ 1.25 per day is adopted as the yardstick, percentage of people living below poverty line decreased from

<sup>1</sup> World Bank. (2009). Revised Poverty Estimates: What it means for India. [www.worldbank.org.in](http://www.worldbank.org.in)

<sup>2</sup> Prahalad, C.K. (2008). Leap frogging the digital divide. *Microfinance insights*, 8, 12-15.

60 per cent in 1981 to 42 per cent in 2005.<sup>3</sup> Both the figures (the number of people living below US \$ 1per day and US \$1.25 per day) indicate that our country has made a progress against poverty, with poverty declining at the rate of one per cent every year since 1980s.

Millennium Development Goal (MDG) fixes a target of reducing poverty by 50 per cent between 1990 and 2015.<sup>4</sup> India has to reduce below poverty line population from 37.5 per cent in 1990 to 18.75 per cent in 2015. As per Planning Commission report, the GOI reached the level of 27.50 per cent in 2004-05 in reducing poverty after implementing several poverty alleviation and development programmes.<sup>5</sup> Tendulkar Committee has reported that 37.2 per cent of Indian people live below poverty<sup>6</sup> and the GOI has accepted the recommendations of the committee for poverty line for 2004-05.<sup>7</sup>

#### **Development programmes prior to independence:**

Famine Commission (1880) informed that 21 famines and scarcities occurred from 1770 to 1879 in our country and out of this 8 were classified as intense famines, 9 as famines and remaining 8 were classified as severe scarcities and in broad terms famines or scarcity occurred once in 4 years during the 109 years. During the famine of 1837-38, more than 8 lakh people died and the British government did not pay much attention to the rural India and relief work was thought as a work of charitable institutions. There were 26 attempts for the development of rural people developed by various individuals gives an idea of their strategy and methods. Some of the pioneering works are given below:

<sup>3</sup> World Bank. (2009). Revised Poverty Estimates: What it means for India. [www.worldbank.org.in](http://www.worldbank.org.in)

<sup>4</sup> Press release of GOI. (2009, July 7) Ministry of HRD, New Delhi: GoI.

<sup>5</sup> PIB. (2007). Poverty estimates for 2004-05. New Delhi: PIB.

<sup>6</sup> Dreze, Jean. (2010, February 24) Poverty estimates vs. food entitlements, The Hindu, p 12.

<sup>7</sup> PIB. (2010, July 27). BPL Estimates. PIB Press Release. New Delhi: PIB.

Dr.Rabindranath Tagore, the great poet, was a pioneer in rural uplift movement in our country, established institute of Rural Construction at Sriniketan in 1921 with the help of C.F. Andrews and L.Elmhirst. Improved seeds were distributed to the farmers to improve agricultural production and new agricultural practices were demonstrated to them and farm income was supplemented by cottage industries, poultry and animal husbandry and vegetable gardening. Sriniketan made a contribution to rural reconstruction by concentrating on agriculture, industries and education.

Frank Lugard Brayne, was appointed as Deputy Commissioner of Gurgaon in 1920 and he realized the ignorance and poverty of rural people and started rural reconstruction practice, tangible results were achieved after seven years which is commonly known as Gurgaon experiment. He concentrated on rural sanitation, agricultural development, education, social reforms and cooperation. Perhaps it was the first all round rural development programme and it provided many lessons for community development programme.

As a contemporary of Brayne, Dr.Spencer Hatch established Rural Reconstruction Centre or Marthandam experiment at Marthandam in Tamilnadu with the main objective of complete development of economic, social, religious educational and physical aspects of rural people. Marthandam experiment was successful in economic field and useful lessons to the rural development extension activities of the country were learned from Marthandam experiment.

Efforts of Tagore, Brayne and Hatch remained to particular locations and the efforts of Gandhi in uplifting common man at Sevagram in 1931 attracted the attention of entire country and seen as a programme to build villages as self sufficient republics to fulfill basic human needs. His programme was based on his own principles of non-violence, communal unity, avocation of prohibition but present day rural development programmes ignores this aspects.

Sri V.T. Krishnamachari, the then dewan of Baroda started a rural reconstruction programme in a group of villages in Navasari district of Baroda (1932-33). His plan was concentrated on improving standard of living through increased agricultural production with active roles of cooperatives, schools and local leaders.

Sri Prakasam, the then Chief Minister of Madras Government started Firka Development Scheme in 1946 with the objective of making the selected firkas as self sufficient in food and other basic necessities in life to attain “village swaraj” making them to attain self reliant and provided a democratic basis for rural areas development. The Firka Development scheme was merged with National Extension Service during 1953-54.

A Pilot Project was established in Mahewa in Etawah District of Utter Pradesh with the help of Albert Mayer in 1948 with emphasis on self help, democratic approach and people participation, integrated approach, rigorous planning, realistic targets and economic programmes. The project attracted world wide attention and paved way for Indo-US technical Cooperation Agreement of 1952 and Community Development Programme on 2<sup>nd</sup> October 1952.

#### **Development programmes in the post independence era:**

Refuge problem immediately after the participation of our country made the Community Development Minister Mr. S.K.Dey to start Nilokheri Project in 1949 with the objective of attaining self sufficiency in the Nilokheri Camp where thousands of displaced refugees accommodated. In addition to economic activities and social welfare, panchayats were revitalized.

The project gave the first administrator of community development project, Mr.S.K.Dey to the country and agro industry townships were recognized which found a place in first five year plan.

Some of the lessons from various development projects such as Sriniketan, Marthandam, Gurgaon, Sevagram, Firka Development Scheme and Etawah helped to plan and implement

Community Development Programme (CDP) in 1952 with U.S. aid and development of agriculture, health, communication, housing, education, child welfare and cottage industries were given priority so as to improve the living condition of rural people with expert guidance, counseling and financial assistance.

Agriculture was given main focus since 80 percent of population depended on it and economic improvement was the prime goal and the principle of self help was followed. Lack of training, emphasis on fund utilization instead of physical achievement and concentration of welfare activities than economic development are the short coming of CDP but the blocks created in CDP is continuing still as a basic unit of planning and development.

National Extension Service (NES) was launched to provide scientific and technical assistance for increasing agricultural productivity in 1953 and at that time rural development consisted of CDP and NES. There were NES blocks and CDP blocks which caused some confusion among rural people and from April 1958 both were merged. Balwantray Mehta Committee recommended the democratic decentralization and Panchayati Raj was introduced in 1958. Low production of food grains and import of food were considered as weak points of CDP and the focus shifted to agricultural development and many programmes such as Area oriented, productivity oriented, employment oriented and target oriented programmes were introduced .

### **Intensive Agricultural District Programme (IADP)**

Ford Foundation experts gave 10 points for increasing food production in 1959 and it was implemented in 1960 in 15 selected districts known as Intensive Agricultural District Programme (IADP) or package programme, with the main objective of spectacular increase in the agricultural production by using modern technologies. Evaluation of the programme revealed that small

farmers can be progressive like big farmers and it proved to be a significant approach for modernizing agricultural operations.

### **Intensive Agricultural Area Programme (IAAP)**

IAAP was started in 1964-65 with the broad objective covering 25 percent of total cultivated area in the country whereas IADP covered only 15 select districts in the entire country.

Evaluation of IAAP revealed that required number of technical people was not available, limited supply of inputs to cover a vast area but the programme paved way for **High Yielding Variety Programme in 1966-67.**

High Yielding Variety Programme (HYVP) changed Indian economy making the country in self sufficient in food production. High Yielding Varieties slowly replaced traditional varieties and these varieties are behind meeting food needs of growing population even today. Food Production was 50.8 million tones in 1951 increased to 166 million tonnes in 1988-89 it was 203 million tones during 1999-2000 and it was 208.59 million tones during 2005-06, 217.28 million tones during 2006-07 and a target of 233 million tones fixed during 2008-09.

Special Food Grains Production Programme (SFPP) was launched in 1989-90 in 169 districts (thrust areas) and extended to 311 districts during 1990-91. Different districts selected for different crops and major attention was given to Paddy, Wheat, Pulses and Minor Millets and farmers were provided with improved seeds and other inputs along with credit.

Government of India introduced new programmes exclusively for the benefit of small farmers, after realizing that IADP, IAAP and HYVP (Green revolution) brought regional disparities and inequalities between farmers. To raise the income of small farmers through modern agricultural technologies and allied activities such as animal husbandry, poultry, dairy etc, the Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural

Labourers Development Agencies were started in 1971 as separate agencies but during 1974 both of them was merged as a single agency in the name of Small and Marginal Farmers and Agricultural Labourers Development Agency (MFALDA). Evaluation of the Programme indicated that lack of credit, complicated procedure to sanction subsidy, lack of adequate staff and the target groups were not aware of the programme are the reasons for the slow progress and benefited only small portion of target group and finally the SMFALA was merged with IRDP in all blocks on 2-10-1980.

#### **Development of special areas programmes:**

One-fifth of our agricultural area is under drought and to minimize the adverse impact of drought, Drought Prone Area Programme (DPAP) was launched in 1973 with the main objective of developing water resources, afforestation, soil and moisture conservation and development of subsidiary activities like dairy, animal husbandry. At present 961 blocks in 180 districts are covered by the DPAP and implemented through DRDA. Now DPAP is concentrating on watershed development from 1995 onwards and responsibility of maintaining watershed has entrusted to people's organization.

Desert Development Programme (DDP) was launched in 1977-78 with the main aim to check desertification, development of productivity, afforestation and water harvesting in cold and dry desert areas.

Ministry of Rural Development evaluated DPAP and DDP and found even though the focus of the programmes may differ but the core objective is land and water management for sustainable production and development of watersheds and wastelands and it was found that the programme had a positive impact on overall development except Almora district.

Hill Area Development Programme (HADP) formulated in fourth five year plan focused on integrated agricultural production and removing imbalances between communities in hill areas and a similar programme in the name of Tribal Area Development Programme (TADP) exclusively for tribal was launched and tribal development blocks similar to CDP blocks were created. The TADP concentrates on education, health, housing, water supply and provision of credit and other essential inputs through Large Scale Agricultural Multipurpose Societies. The development was not spread to all areas and its success limited in select tribal areas only.

### **Irrigation Development Schemes**

Irrigation water is an important input for crop production and vicious cycle of poverty can be reduced by increasing agricultural production, Government of India introduced following schemes for the development of infrastructure facilities for irrigation.

Ganga Kalayan Yojana (GKY) was launched 1.2.97 as a sub-scheme of IRDP but became independent scheme from 1.4.97 onwards and the objective was providing infrastructure for irrigation facilities.

Million Wells Scheme (MWS) was launched in 1988-89 as a sub-scheme of NREP and became an independent scheme from 1.1.96 and the objective was to provide free irrigation wells to small and marginal farmers. Command Area Development Programme had an integrated approach towards development of Command Area with appropriate technology, supply of required inputs, provision of vital roads, markets and infrastructure facilities.

### **Employment Generation Programmes**

Unemployment is a major problem not only in India but also in all developing countries. Government of India started employment generation programmes to provide assured employment in rural areas. Crash Scheme for Rural Employment was launched in 1971-72 to alleviate

unemployment and under employment in rural areas. Food for work programme was launched in 1977 to provide work to the unemployed during agricultural lean season. Training of Rural Youths for Self Employment (TRYSEM) was started on 15th August 1979 with the objective of training rural youth in agriculture, business, and industries so that they can go for self employment instead of wage employment

National Rural Employment Programme (NREP) was started October 1980 with the objective of generating gainful employment and creating durable community assets in rural areas.

Rural landless Employment Guarantee Programme (RLEGP) was launched in August 1983 with the objective of providing wage employment to rural landless at least 100 days in a year.

Jawahar Rozgar Yojana (JRY) was launched on 28th April 1989 by merging NREP and RLEGP with the primary objective of generating gainful employment to unemployed in rural areas. Employment Assistance Scheme (EAS) was launched on 2nd October 1993 with the objective of providing gainful employment during lean seasons in rural areas.

### **Integrated Rural Development Programme (IRDP)**

This is the largest poverty alleviation programme in our country. The programme involved identification of target groups in the block, preparation of plan to assist them, arranging credit support, monitoring the progress to ensure that the assisted individual comes out of poverty line is the final goal. The target group consists of families living below poverty line. This programme continued as a major self employment programme from 1979-80 to till April, 1, 1999, and it covered 53.50 million families at an expenditure of Rs.13,700 crores. IRDP had several allied programmes such as TRYSEM and this programmes not adopted any strategy of sustainable Rural Development.

It may be said that community Development Programme created administrative blocks and Panchayati Raj institutions came up in the first decade of planning. During 1960s, in order to meet the food crisis agricultural production oriented programmes emerged like IADP, IAAP and this programmes brought green revolution in the country. Later, to address the areas and section of people not covered by the agricultural production oriented programmes, special area programmes such as DPAP,DDP,HADP,SFDA,MFAL and SFMFALDP were introduced. During 1970s and 1980s, a need was felt to follow integrated approach in rural development and new programmes such as IRDP, TRYSEM, NREP, RLEGP and JRY like employment generation programmes were implemented. Later it was observed during late 1990s that there was multiplicity of programmes which lacked cooperation and coordination and linkages which resulted in poor impact on poverty and development was realized and it was felt that a time has come to reorient and restructure the rural development programmes.

Hashim Committee appointed by the GOI recommended the merger of many concurrent programmes into one comprehensive programme and Government of India launched Swarnajayanti Gram Swarozgar Yojana (SGSY) on April 1, 1999. It is a holistic programme covering all aspects of self employment like Self Help Group, capacity building, and cluster development, providing infrastructure, credit and marketing. This programme aims at self employment opportunities for rural poor with emphasis on Self Help Groups, identifying 4-5 key activities in each block based on the resources, skills and market. Micro finance through SHG is given top priority since micro finance considered as an effective instrument of rural development and rural empowerment and micro finance through Self Help Groups creates self employment to rural people and self help leads to self reliance, social and economic empowerment leads to sustainable development of rural people.

Swarnajayanti Gram Swarojgar Yojana (SGSY) was launched after recognising the importance of Self Help Group and Micro Enterprise approach, and merging IRDP with allied programmes TRYSEM, GKY, MWS, Development of women and children in Rural Areas (DWCRA) Supply of Improved Toolkits to Rural Artisans (SITRA). The main objective of SGSY is to ensure bringing specific number of families above poverty line through different strategies to provide long term sustainable self employment opportunities in terms of organization of rural poor, provision of support infrastructure, technology, training and skill development or a combination of these.

Here it is necessary to remember some studies which were carried out in India and other developing countries regarding the reasons for the failure of rural development programmes, which may be helpful to reorient and restructure the rural development programmes to ensure that poverty is reduced in real sense to achieve the MDG.

Bhowmick (1994) evaluated rural development schemes in five West Bengal villages and found the schemes were not need based and area based, besides inexperience of the implementing agencies and lack of coordination and cooperation among them and most of the schemes failed and others yielded very little desired results and rich and wealthy sections of population benefited and uneducated rural poor remained as poor as before.

Muktasam and Chamala (2000) reported that Chambers, Harrison and Hammer after studying the working of rural development programmes in Asian countries Pakistan, Sri Lanka, Bangladesh, Thailand and India as well as in African countries Uganda, Mali and Ethiopia, identified following reasons as major causes of failure

- Targeting and top down approaches
- Neglect of local values

- Lack of peoples participation
- Partial and disintegrative approach
- Investment illusion

While concluding this paper it is suggested to remember the following definitions and opinions and arguments which are applicable to all countries in the process of rural development.

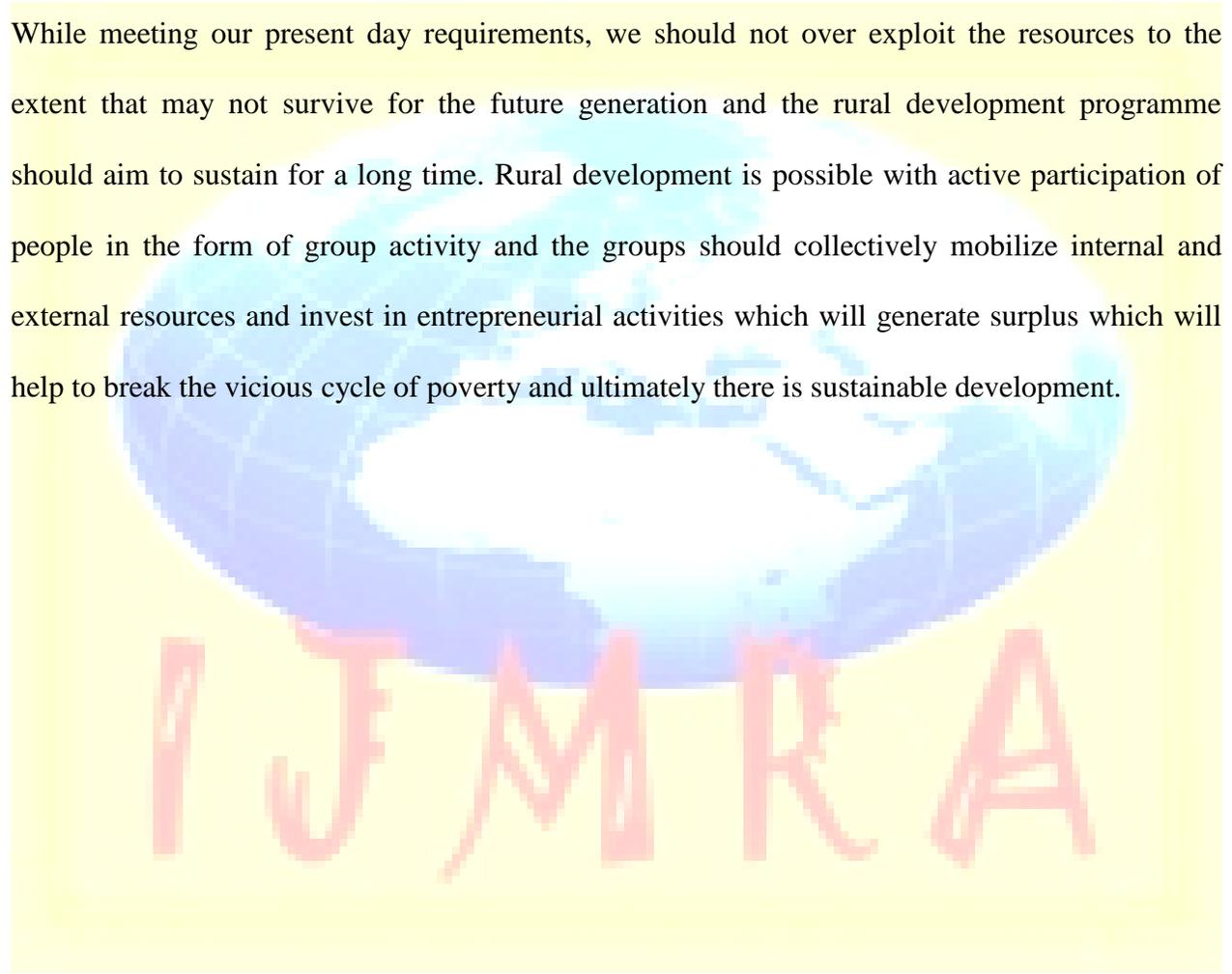
In 1931 itself Gandhiji emphasized that the reconstruction and development of the Indian nation would not be possible without full participation of women as equal partners. Gandhiji wanted people to live in harmony with nature and advised people to preserve land and forests and he emphasized eco friendly small industrial units and cattle based economy in terms of dairying, bio fertilizers etc. Gandhiji desired that each village to be evolved as a self sufficient and through self help the villagers should collectively strive for all round development. In keeping with Gandhian ideology, focusing villages a point of development, addressing simultaneous growth of agriculture and micro enterprises and community based programmes is the right approach for sustainable rural development.

Singh (2006) indicated that definition given by World Bank is applicable to all developing countries. "Rural development is a strategy designed to improve the economic and social life of a group of people-the rural poor. It involves extending the benefit of development to the poorest among those who seek a livelihood in the rural areas. The group includes small farmers, tenants and landless." Robert Chanks suggested a modification in this definition to include rural women and children who may not seek a livelihood in the rural areas but would also seek to demand and control more benefits of development. Setty (2002) reported that political will, clear cut policies, realistic objectives, a blending of planning from below and above, enlightened involvement of

client system, training of people's leaders, building up and strengthening of local institutions will facilitate meaningful and sustainable rural development.

It is concluded that the rural development programmes started for particular sector later converted to all round development programme and now the programme focus on the conservation of all natural, physical and human resources for meeting the future generations.

While meeting our present day requirements, we should not over exploit the resources to the extent that may not survive for the future generation and the rural development programme should aim to sustain for a long time. Rural development is possible with active participation of people in the form of group activity and the groups should collectively mobilize internal and external resources and invest in entrepreneurial activities which will generate surplus which will help to break the vicious cycle of poverty and ultimately there is sustainable development.



## References

Bhowmick, Pradip.(1994). Rural and Tribal Development Practices in India. New Delhi : M.D.Publications. pp 34-71.

Jain. L.C.(2005) Introduction. Decentralisation and Local Governance. Ed.L.C.jain, New Delhi. Orient Longman 2005. pp1.

Muktasam A and S.Chamala(2000). “Rural Development Approaches in Developing Countries” New Vista in Rural Development: Strategies and Approaches.Ed.R.K.Samanta. New Delhi:B.R. Publishing Corporation, pp 221 – 258.

Paul, Sujit Kumar and Kakali Paul. (2003)“Role of Panchayats and NGOs Towards Sustainable Rural Development” Yojana,47, (6). 19-22.

Reddy, Venkata. (2003) “Sustainable Development: The Gandhian approach” Dynamics of Sustainable Rural Development. Ed. Raghava Reddy, Subrahmanyam New Delhi : Serials Publications, pp 89-103

Setty, E.D. (2002). New Approaches to Rural Development. New Delhi: Anmol Publications .pp 332.

Singh,Siva Raj.(2006) Rural Development administration through Panchyat Raj Institutions. Rural Development Administration in the 21<sup>st</sup> Century.Ed.Surat Singh and Mohinder Singh New Delhi: Deep and Deep Publications,pp420-426.