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Vol XXXIX  
No. 3

ISSN 0019-5014

CONFERENCE  
NUMBER

JULY-  
SEPTEMBER  
1984

# INDIAN JOURNAL OF AGRICULTURAL ECONOMICS



INDIAN SOCIETY OF  
AGRICULTURAL ECONOMICS,  
BOMBAY

**RAPPORTEUR'S REPORT**  
**ON**  
**PLANNING FOR RURAL DEVELOPMENT**

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I

The Sixth Five-Year Plan lays great emphasis on rural development to alleviate poverty in the rural areas of the country. Since October 2, 1983, all the earlier programmes of area development and specific target groups have been merged into a single largest and all pervasive Integrated Rural Development Programme (IRDP). Obviously, this massive programme envisages to integrate both the approaches of area development and target groups into a combined strategy for rural development. A close scrutiny of this strategy based on initial experiences is the basic object of discussion on the subject in this Conference. As spelt out in the Manual on IRDP, Ministry of Rural Reconstruction, Government of India (January 1980), the broad components of the strategy envisaged are: the identification of the rural poor based on certain target group parameters; selection of an annual target of about 600 families from these identified rural poor and provision of some suitable productive assets to them through financial assistance (loan plus subsidy); comprehensive block level planning for agricultural, industrial, social, and infrastructural developments based on local needs and resources and minimum needs programme; and integration of target groups programmes with the overall block development programmes.

The initial thrust, it appears, has become concentrated on the target group component of the strategy evidently because of lack of proper decentralisation of planning process and organizational structure required for the same. This has been brought out, explicitly or implicitly, by a large number of papers out of a total of 28 papers accepted for discussion at the Conference. While some papers overlap in coverage, the distribution of these papers by the major themes covered is as follows: 14 papers discuss on the "Planning and Implementation Strategies for Rural Development", 13 papers confine to "Evaluation of IRDP and Related Programmes", and one paper devotes to credit aspect of "Institutional Support for Rural Development". A brief discussion on these papers is presented in the next three sections, and the issues for discussion are identified in the last section.

II

**PLANNING AND IMPLEMENTATION STRATEGIES FOR RURAL DEVELOPMENT**

Fourteen papers devote to this central theme of the subject. However, only six of these really attempt to examine the strategies envisaged under IRDP. The others, by and large, confine to a general commentary on rural

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development planning. It is clearly brought out in several papers that the integrated strategy is not being practised at all, and the efforts at the grass-root level are being channelised only towards the target group approach which alone is inadequate in eradicating the rural poverty. But, with the exception of only one paper making a reference to it, none of the other papers examine the existing capabilities, efforts made and the problems faced at the district and block levels in undertaking the comprehensive area planning exercises in an integrated manner. Lack of people's participation and training to the beneficiaries are pointed out to be the other strategic shortcomings in the programme. But how to operationalise these approaches remains more or less unattempted. Even credit camps and *gram sabha* meetings to solicit people's participation in the selection of beneficiaries and the schemes are proving to be a farce as reported in several papers discussed in this and the next section. Only one paper makes a somewhat in-depth analysis ascribing structural factors of the village society for the inhibitions on the part of both the well-off and the poor sections.

Katar Singh analyses and evaluates the planning and implementation processes of IRDP with specific reference to the milch animal distribution component of the programme in Sabarkantha district of Gujarat. He finds the IRDP in the district to have been well planned and properly implemented. The special features of the programme in the State/district, highlighted in the paper, are establishment of the Commissionerate of Rural Development at the State level, very effective and close liaison with the banks, and the tie-up with the village dairy co-operative societies for provision of all supportive services from cattle feed to assured market at remunerative price for milk and for deduction of loan instalments from the milk bills of the beneficiary producers. He, however, observes that the detailed household, village and block plans were not formulated in the district due to non-availability of requisite manpower and expertise for the purpose; instead a simple six-step procedure (of course as per IRDP guidelines) was followed. He suggests for updating the annual income limit of Rs.3,500 set for selection of beneficiaries, revising the income generation norms for various economic activities, and training to the beneficiaries on the operational aspects of the schemes selected for them.

Indira Hirway examines the adequacy of the target group approach in eradicating rural poverty. Based on a micro level study of four villages in Gujarat, she observes that about 55 to 75 per cent of the participants are non-poor who dominate among the participants, only a few less costly and easy to implement schemes are being undertaken, and the benefits received by the participants are not always substantial mainly due to faulty design of economics of the schemes. The two major weaknesses of the target group strategy, pointed out in the paper, are (i) lack of understanding of the role which the highly stratified structure of the rural society plays in generating poverty, leading to non-percolation of benefits to as well as non-participation of poor sections and (ii) weak planning component of the approach in terms of inadequate emphasis on resource-based spatial planning and provision of full package of supportive facilities almost neglected in practice. She contends

that the uniformity of the approach does not recognize differences in entrepreneurial capabilities among the households, and that there is no need to offer self-employment to these poor. These contentions may need a debate keeping in view the IRDP guidelines in the first case, and for the second the opportunities of wage employment in the rural areas and inherent possibility of exploitation of the poor therein.

Malay Gupta investigates whether the IRDP strategy is truly integrated and whether the scheme selected for the beneficiaries can generate sufficient income to enable them cross the poverty line. He suggests that 'Integrated Rural Development' may be viewed from three perspectives, *viz.*, (i) concept of overall development with a focus on target groups, (ii) integration of credit with supporting services and (iii) integration of economic activities inherent in rural development to ensure balanced growth. From an analysis of annual action plans (1983-84) of 11 districts prepared by the concerned District Rural Development Agencies (DRDAs) in the State of West Bengal, he finds that the plans considered only the expenditure side, and no relationship has been established with the non-IRDP activities. These plans are not integrated even in the loose sense with the supportive services. As regards the income generation potential of the selected schemes, his data for five blocks of Nadia and Midnapur districts suggest a significant rise in per capita income of the beneficiaries through the IRDP. However, he finds the rise in per capita income is not sufficient to raise these families above their present subsistence level. He suggests the need for linking the target group schemes with the area development programme which would expectedly raise their incomes further.

K.P.C. Rao also observes that the IRDP neither involves people's participation in its planning and implementation, nor is integrated and comprehensive in the true sense. The uniform budgetary pattern has no relationship with the incidence of poverty which varies from State to State. He points out that in view of two crores of families having assets of Rs.1,000 or less, and a lot more being impoverished at a fast pace every year, the allocations envisaged in the Sixth Plan may not be able to make any dent on rural poverty. In his study of Maheswaram block of Ranga Reddy district in Andhra Pradesh, he reports the targets of beneficiaries falling short of achievements and only about 40-50 per cent of them could cross the poverty line.

Based on the observations and group discussions with the programme functionaries and beneficiaries in some villages of Rajasthan, B.L. Tripathi finds the structural rigidities impairing the performance of IRDP. Centrally assigned targets and resource allocation, non-consideration of individuals' aptitudes while selecting schemes for them, lack of community participation in practice, and inability of the various development agencies to work in tandem are some of the structural and operational defects in the implementation of the programme. The horizontal linkages are not found to be strong. Better equipped and resourceful persons are also reaping the benefits due to the target orientation of the programme. He advocates for provision of institutional credit to meet the consumption needs of the rural poor, so that the productive assets are not diverted towards this end.

Amar S. Guleria examines the strategies, planning and implementation of the cold Desert Development Programme in the difficult and high terrains of Spiti in Himachal Pradesh within the framework of IRDP. His main conclusions indicate substantial differences between the norms laid down for the programme and the actual planning at State/district/local levels, lack of involvement of people's organizations in the scheme, and lack of integrated approach in the utilization of available resources and also among the participant departments. He suggests the need for restructuring the planning process of the scheme so as to involve local people in deciding the programmes and priorities, and inclusion of several missing components in the scheme such as infrastructural facilities, horticulture and forest eco-system, employment generation, etc.

B. L. Sharma, in a case study of a village in Ajmer district in Rajasthan, reports that only 17 per cent of the sample beneficiaries were able to raise their incomes. He asserts that the aid giving agencies' approach is impragmatic, and suggests that rural development programmes can be made effective with the measures of improving the agriculture as a major source of rural economy. He briefly outlines a model typogram for identifying the type of agriculture, the kind of development activities required and the links with the rural entrepreneurial system.

R. Mukherji, while reviewing the strategy and implementation procedure of IRDP, suggests the need for preparation of a comprehensive district plan in physical terms, expansion and democratisation of DRDA, greater proportion of the total resources for rural sector, lower interest rate and mutual cooperation among the rural poor. He cautions about a more severe and bitter class struggle in the country's development, if it is not achieved rather peacefully today.

T. Satyanarayana and Y. J. Peter suggest the creation of a separate institution, one each in two blocks, with full financial and staff facilities, which does not recognize the supremacy of the rural rich class. The modus operandi of this institute, suggested very casually by the authors, characterizes it as one of consultancy in nature.

Kripa Shankar suggests for a radical redistribution of land in order to reduce the hegemony of the large landed groups opposed to genuine rural transformation. He argues for a larger flow of resources to the rural areas, particularly for agricultural and infrastructural development programmes. Harihar Bhakta observes that these programmes represent only an extension of welfare measures ignoring the very process of transforming the peasant economy into a market-oriented. Kanti Patel highlights the inequalities and fall in employment in the rural areas. He also lays stress on team spirit and decentralisation policy. Balishter observes that the new programme of IRDP differs from earlier special programmes in its emphasis on decentralised micro level planning. R.K. Singh *et al.*, based on their field experiences, infer that the planning of the programme has been appropriate but its execution lagged behind.

## III

## EVALUATION OF IRDP RELATED PROGRAMMES

Thirteen papers evaluating the performance of IRDP and the related programmes are discussed in this section. Out of these, eight papers analyse the impact on income and employment generation from the assets provided to the beneficiaries. The other five papers present only an overall performance in terms of financial and physical (number of beneficiaries) targets covered. Methodological weaknesses are apparent in many of these studies, most strikingly those relating to benchmark data for measuring the impact. What flows from these evaluation studies and those discussed in section I is that the performance and impact depend largely upon the perception of and co-ordination among the local level agencies involved in the implementation of the programme. Also, it appears that uniformity of the approach is being upheld at the cost of flexibilities already provided in the programme at the implementation level. Evidently, this is due to the absence of area planning component in practice as mentioned earlier.

Based on a case study of Edakkad village of Cannanore district in Kerala, A.C. Kutty Krishnan finds no significant impact of IRDP on income generation. The selection of beneficiary families was improper; only 16 out of 80 sample households were really eligible for assistance under the programme, out of which only three crossed the poverty level. Largely, the better-off section got the benefits. Many schemes are not capable of generating sufficient income because of large scale financing on these schemes in an area with limited market potential. He argues that absolute generalisation of poverty and uniform fixation of blockwise targets are the reasons for the above observations. He also reports non-productive uses of loans and assets provided under the IRDP. The author suggests the use of per capita income instead of annual family income as a better criterion for identification of the beneficiary, area specific fixation of targets and establishment of common work-cum-facilities centres on co-operative lines for the beneficiary families.

K. M. George, in a study of two blocks of Alwar district in Rajasthan, reports a significant increase in income and employment of the beneficiaries under the IRDP. The annual average employment generated per beneficiary household is reported to be 125 man-days through the IRDP schemes. He finds that about 70 per cent of the sample beneficiaries have crossed the poverty line. It is also observed that only 40.58 per cent of the beneficiaries were regular in the repayment of loans. The major weaknesses in the programme, outlined in his paper, are as follows: the sanctioned costs of schemes for loan and subsidy purposes are grossly under-estimated, lack of veterinary facilities and marketing arrangements, non-availability of feed and fodder, procedural difficulties in insurance coverage and the missing component of 'training to beneficiaries' particularly required in view of the poor follow-up. He points out the need for supportive facilities for optimal absorption of the funds under the programme.

The study of U.K. Pandey *et al.*, in Sirsa, Karnal and Jind districts of Haryana brings out that the pattern of income distribution is not highly skewed and the same has been narrowed down with the inception of IRDP, and also the potentialities for increasing income and employment exist in the rural areas through agro-based enterprises. They suggest an organizational model to revamp the structure and machinery for rural development in Haryana. In this model, the programme planning functions are entrusted apparently to a State level body which cannot possibly co-ordinate with the block planning functions suggested elsewhere in their paper as an essential exercise for rural development.

Evaluating the Integrated Tribal Development Project in Lakhnadon block of Seoni district in Madhya Pradesh, A. Shrivastava and P.K. Awasthi find that about a third of the selected beneficiaries could rise above the poverty line. They suggest the creation of a strong interest group and local organizations to inspire the people, technologies to fulfil local needs and sufficient flexibility to be provided in the programme at the lower level.

B. M. Roy and L.N. Bhagat, in their study of two blocks of Hazaribag district in Bihar, find lack of desired level of co-ordination between the concerned authorities in the implementation of the programme. They report that in 82 per cent of the cases, the assets exist with the beneficiaries. Prakash Naidu in his study of Dabhra block of Bilaspur district in Madhya Pradesh reports a very low coverage of IRDP beneficiary target, high outstanding loans and no significant increase in income and employment. He recommends the need for imparting training to both the programme functionaries and the rural poor. The study of G. N. Singh *et al.*, in Bilhaur block of Kanpur district of Uttar Pradesh, concludes that the IRDP has helped the small and marginal farmers to raise their income and employment.

G. S. Kainth and Kanwar Jasbir Singh, in their study of Gidderbaha block of Faridkot district in Punjab, observe that the location of the focal village in the cluster is an important factor in making the target group aware of the IRDP programme and of the concerned agencies. The observation may have relevance in planning the village clusters so as to seek the people's participation. They also report that the large farmers have benefited more than the small farmers, and that the slow pace of IRDP is due to lack of follow-up measures, irregular and inadequate supplies and lack of honesty and sincerity among the involved agencies.

Hem Chandra Lal Das attempts to evaluate the performance of IRDP in a backward block of Sitamarhi district of Bihar. He reports unsatisfactory performance of the programme, covering only about a third of the target group households and utilizing around 40 per cent of the allocated funds. Taking sectorwise performance, it is reported to be somewhat better in agricultural schemes, and very poor in the service sector schemes. He observes that the programme suffers from biases in the identification of beneficiary families, lack of co-ordination between the Block Development Officer and the financing agencies and politicisation bias. The author, however, makes no suggestion for improvement or alternative strategy.



J.C. Kharwal, highlighting the programmes and priorities of Integrated Tribal Development Project at Bharmaur (Himachal Pradesh), observes that procedural delays, lack of knowledge among the local people about the programme and migratory character of the rural people of the area are acting as constraints on further success of the project. S. R. Mehrotra and C.L. Khandelwal, based on a study of Bassi block of Jaipur district in Rajasthan, observe that the planning exercise at the block level has been quite slipshod. As a result, the schemes financed under the IRDP have no link with the local resource potential and felt needs. K. Sain and B. Bagchi examine the achievements of Drought-Prone Area Programme in Bankura, Purulia and Midnapur districts of West Bengal. They report greater inequalities in the distribution of farm incomes and operational holdings in the drought-prone areas.

Asit Kumar Banerjee reveals a success story of IRDP in a backward drought-prone village (Shyamsundarpur) of Bankura district in West Bengal. He concludes that rural development strategy does not lack in planning and resources, and the co-operation and goodwill of all concerned can bring the desired results. However, he refrains from presenting the empirical results of his success story.

#### IV

##### INSTITUTIONAL SUPPORT FOR RURAL DEVELOPMENT

The lone paper of M. C. Bhandari examines the credit support for IRDP. Using the data of Gujarat State, he observes that the commercial banks provide about 85 per cent of the credit assistance, and the share of co-operative banks is only nine per cent, despite that they account for 29 per cent of the total bank branches in the State. The reasons like cumbersome loaning procedure, unfavourable terms and conditions, stipulation regarding share capital contribution, and security by two members are unfavourable for the co-operative banks. The other general problems highlighted by him are the policy of non-involvement of financing agencies in the process of identification of beneficiaries and selection of investment schemes, poor quality of lending and poor administrative pattern of subsidy. The involvement of credit agencies in the selection of beneficiaries and the investment schemes is suggested by several other authors also and deserves attention. His suggestion for accounting subsidy towards interest payment or final loan adjustment needs critical examination keeping in view the under-estimated approved costs of the schemes as reported by some other authors.

#### V

##### ISSUES FOR DISCUSSION

The preceding review of the papers brings out the following issues for discussion:

1. The present strategy of rural development envisages an integrated approach. The programmes for area development have to be undertaken so as to generate a momentum for overall development in the rural areas. On

the other hand, as has been the experience in the past, the developmental benefits do not trickle down to the poor segment of rural population. Therefore, specific programmes for the target groups of the rural poor have to be simultaneously undertaken with special emphasis. But these target group programmes need to be integrated with the area development programmes, lest the rural development gets compartmentalised with its heavy social cost. Conceptually, the IRDP Manual conceives of such an integration. Is this integration feasible operationally too? Can the target group programmes be meaningfully linked with the integrated area development programmes? The present empirical evidence in general is contrary to this. Also any radical changes in the social fabric and the administrative machinery may be beyond the planning horizon we are confronted with. Then, how to bring about this integration? Or else, what is the alternative approach?

2. The rural development programmes have to be planned based on local needs, resources and development potential. Are these programmes being really planned so? At what levels are these being planned? What is the most appropriate level of planning rural development programmes? Does the existing organizational structure meet the requirements for rural development planning? What additional supports are being needed? Can the idea of project-shelf on turn-key basis really meet the diverse requirements on account of heterogeneous rural conditions in the country? What approach be adopted in the selection of projects both for the target groups as well as the area development, such as land based vs. non-land based assets for the poor, returns to investment vs. income and employment generation, subsidy vs. loan with concessional interest rate, etc.?

3. The implementation of rural development programmes, by and large, is vested with the District Rural Development Agency (DRDA) and the Block staff. Is this administrative and organizational machinery for implementation of the programmes adequate? What modifications and supports are required keeping in view the men and material constraints and the magnitude of the job to be delivered? Are the supporting institutions adequately in place? The role of commercial and co-operative banks and the problems faced by them need a critical examination and remedy.

4. There may be some macro level implications of rural development planning, such as the consequent changes in the capital-output ratio in the rural sector and investment requirements, impact on saving and consumption propensities, the resultant impact on aggregate demand, and the type of industrial structure required to meet the new emerging rural demands in view of the backward and forward linkages. Lastly, an important parameter affecting the mass poverty relates to the denominator of population size which keeps on adding annually to the number below the poverty line. Can the present targets out-balance the annual additions to the poverty line on account of population growth? What strategy need be introduced on this account to complement the efforts toward the removal of poverty and rural development?