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(c) **Special Programmes like IRDP, NREP, Emphasising Positive Assistance and 'Reverse' Discrimination**

**POVERTY ALLEVIATION PROGRAMMES AND
AGRICULTURAL DEVELOPMENT**

M. L. Manrai*

THE POVERTY SCENARIO

The strategy of direct assault on poverty through rural development programmes is of recent origin. Only with the Fifth Plan, poverty alleviation came to be accepted as a principal Plan objective. In the initial phases of planning the problems of poverty and unemployment were swept under the carpet in the belief that they were but symptoms of a stagnant under-developed economy and overall growth of economy contemplated under the Plans would take care of these through the 'trickle down' effect. However, the fall-out from the development of a highly capital intensive industrial sector failed to trickle down to endemic poverty stricken rural hinterlands. The relevance of the development under the first four Plans, patterned on Harrod-Domar and Feldman-Mahalanobis growth models, to ameliorate poverty came to be questioned seriously towards the early seventies and the dimensions of the problem were also sought to be quantified (Dandekar and Rath, 1971; Dantwala, 1973).

In spite of the progress achieved in the agricultural sector, particularly subsequent to the Green Revolution commencing from the mid-sixties, the growth process has benefitted the urban areas more. During the ten-year period ending 1980-81, agricultural incomes increased by 16.67 per cent against a step-up of 58.3 per cent in non-agricultural incomes. Because rural population increased by about 20 per cent during this period, per capita agricultural incomes have actually eroded.

There is an added dimension to the pattern of agricultural development, namely, imbalanced growth—imbalanced across regions, across crops and across farmer categories—which has further skewed the poverty scenario. Agricultural development since the mid-sixties has been largely based on rapid modernisation of a sub-sector of farming (wheat-rice primarily) in a limited region of the country which because of favourable agro-climatic conditions and availability of irrigation facilities offered the promise of quick results in yields from capital investments and use of costly inputs. Since the central concern of the Plan strategy in this phase was maximising yield per unit of

* Directorate of Economics and Statistics, Department of Agriculture and Co-operation, Ministry of Agriculture and Rural Development, Government of India, New Delhi.

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land, the identification of 'progressive' farmers for intensive attention was based on their resource position in terms of ownership of land and command over capital resources. The locus of development had shifted to developed regions and resource rich farmers (Rao, 1985).

There has been some reduction in the incidence of poverty in recent years. However, thanks to the skewed process of development, there are considerable differentials in the extent of poverty reduction. Between 1977-78 and 1983-84, the poverty ratio which was quite high for Scheduled Castes and Scheduled Tribes declined at a lower rate (19 and 20 per cent) when compared to a decline of 23 per cent for the overall population. In 1983-84, 50.9 per cent of the Scheduled Castes and 57.1 per cent of the Scheduled Tribes were below the poverty line as against 37.4 per cent for the overall population.

The spatial differentials are brought out in Table I.

TABLE I. PER CENT OF POPULATION BELOW POVERTY LINE IN INDIA

Region	1977-78	1983-84	Rate of decline in poverty ratios	Per capita per month expenditure on poverty alleviation programmes (Rs.)
Eastern and Central regions ..	57.32	62.42	14.5	7.84
Southern region	22.91	21.25	25.2	10.97
Western and Northern regions ..	14.45	12.36	32.4	9.41
All-India	100.00	100.00	21.1	8.83

Apart from the lower rate of decline in the poverty ratio in the Eastern and Central regions, the incidence of poverty in these regions increased in absolute terms with the increasing pressure of population. Incidentally, these are the regions which fell outside the ambit of the coverage of the Green Revolution. Moreover, as many as two-thirds of the poor among the Scheduled Castes and Scheduled Tribes in the country are from these regions. The per capita per month expenditure on poverty alleviation programmes also happens to be the lowest in these regions.

This underlines the need for concentrating efforts for removal of rural poverty in these two regions through stepping up the rate of agricultural growth and also adopting a pattern of growth which generates larger incomes for the rural poor. In this context, it is necessary to (i) identify socio-economically optimum cropping patterns for each well-delineated agro-climatic region, (ii) design specific programmes for increasing productivity on small farms and also diversify their production, (iii) increase cropping intensity in dryland/rainfed areas, and (iv) increase employment in agriculture through crop diversification and use of labour intensive techniques and in rural-based industries through the promotion of rural industry centres (RBI, 1985).

The Seventh Plan objective is to bring down the poverty ratio by 31 per cent, from 37.4 in 1983-84 to 25.8 in 1989-90. If we are able to achieve this target, the rural poverty ratio at the end of the Seventh Plan will be considerably higher at around 32.9 per cent in the Central and Eastern regions against 26.4 per cent in the Southern region, 20.7 per cent in the Northern and Western regions and 28.2 per cent in the country as a whole. Estimates of Rao (1985) indicate that to achieve this target, the growth of irrigation would have to be accelerated substantially in the Eastern, Central and Southern regions. In the Eastern and Central regions, irrigation growth would have to be at a higher than the present national rate. In regard to fertiliser use also the growth rates in these regions would have to be higher than the present national averages.

ROLE OF POVERTY ALLEVIATION PROGRAMMES

First and foremost, it has to be realised that a higher rate of agricultural growth with a clear redistributive orientation is essential for making a significant impact on the poverty problem. It is also essential that all poverty alleviation programmes should be geared towards promoting this process. It is however a fact of life that in the pursuit of anti-poverty programmes such as Integrated Rural Development Programme (IRDP), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), etc., one does not find much concern for undertaking activities related to creation of infrastructural support for agricultural development like soil conservation, drainage and construction of field channels, etc. In fact, the main weakness of IRDP is the near absence of backward and forward linkages of the income-yielding assets created under the programme with the agricultural sector.

This dichotomy has spelt a poor record of achievements. According to Rath (1985), at the end of seven years of its operation, IRDP has been able to help 3 per cent of the poor households in rural India to rise above the poverty line, *even if for a while*. The Sixth Plan target was one of putting one-third of the poor households above the poverty line. In his view, the strategy of helping the poor in rural society to get over poverty with the help of assets given to them is in itself misconceived. It may have a place in a multi-pronged attack on rural poverty; but it cannot be the mainstay of such a programme. Putting more stress on this programme will only "generate wastage, corruption and ultimately cynicism". Other eminent economists also expressed their reservations about the usefulness of this programme, by itself, as a poverty alleviation measure (Singh, 1984). Perhaps, the programme can serve a more useful purpose if it is integrated with NREP so as to give equal emphasis to wage employment and asset creation.

Apart from the weakness in the basic approach, the programme also suffered from other weaknesses, *e.g.*, the following:

(i) Allocations of outlays under IRDP were thus far on a uniform basis per block all over the country. Under the Seventh Plan, however, allocations are

proposed to be made according to the degree of incidence of poverty in a particular area.

(ii) The chain of intermediaries between the Government and the beneficiaries is a very long one. This needs to be reduced.

(iii) In the choice of programmes and in their implementation local institutions have to be involved to ensure that the activities are not of a standardised nature but are in keeping with the factor endowments and resource potential of the locale. Further, the activities/programmes need to be so designed and promoted that group or co-operative effort on the part of the beneficiaries gets encouraged. Only group effort can offer greater returns through better access to and use of available resources and skills, reduction in production risks and provision of better bargaining power in the market (Rao, 1986).

The IRDP also faces serious implementation problems of the following types:

(i) Arbitrary selection of beneficiaries: A common reason for this was that the programmes were implemented in a hurry without adequate preparation and allowing time for proper identification of eligible families. The development staff at the field level was also obsessed with the idea of target achievement. The power structure in the rural areas was another major reason for this.

(ii) Even when the selection of the poor was alright, the full amount of the assistance due did not reach a beneficiary because of cuts by middlemen. A class of politically influential middlemen has arisen which has begun to benefit itself from the system.

(iii) Income earning assets are provided without prior assessment of the existence of the demand potential for the products and the services of those assets or providing necessary forward/backward linkages to enable these assets to earn the incomes.

In a far reaching debate on the implementation of IRDP a great deal has been said about the poor performance and weaknesses of the individual beneficiary oriented approach to poverty eradication. The steps taken by the Government from time to time to eliminate the weaknesses have, however, not received sufficient attention of the intellectuals. Steps have been taken to counteract large scale wastage and misuse of resources on account of inefficient management and corrupt practices. A recent paper by Visweswara Rao *et al.* (1986) examines in detail some of the new approaches and methods which have been adopted in the implementation of the IRDP in the context of recent experience in some districts of Andhra Pradesh. The programme needs to be strengthened and linked more integrally with the local level planning to improve its effectiveness. The project/cluster approach and a more objective identification of beneficiaries also need to be built into the system.

IRDP and allied programmes have a positive role to play in poverty amelioration for a few more years provided they are redesigned to support agricultural growth process and a balanced package of asset creation and wage employment is offered. But the main thrust area will be the reorientation of the agricultural development strategy towards inducing a second Green Revolution in the Eastern and Central regions and also towards redistribution of benefits in favour of weaker sections of farmers. Once the new growth strategy for this sector gets going, such exogenous programmes will become increasingly superfluous.

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