Technical Report

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RURAL DEVELOPMENT IN INDIA : PROBLEMS AND PROSPECTS

by

P.S. George

T.R. No. 125
July 1976

Indian Institute of Management
Ahmedabad

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P.S. George*

1. Introduction

During the past 25 years, a large number of rural development projects were taken up in many countries. In India, a beginning was made in this direction through the Community Development Programme (CDP), followed by programmes for increased agricultural production and rural employment. In the early years, rural development was considered synonymous with the growth of agriculture and allied sectors like animal husbandry and dairying, forestry, fisheries, and infrastructure facilities such as drinking water, roads, schools, hospitals, and rural electrification. Over the years, rural development has emerged as "a strategy designed to improve the economic and social life of a specific group of people - the rural poor. It involves extending the benefits of development to the poorest among those who seek a livelihood in the rural areas."[1] A brief assessment of past approaches towards rural development in India and an identification of some of the major problems involved in achieving the objectives of rural development[2] are necessary to translate the broad concerns of rural development into concrete plans of action.

2. Review of Past Programmes

Starting with the First Five-Year Plan, improvement of the quality of life of persons in rural areas has been an important consideration in formulating developmental plans. Though CDP was the major large scale activity initiated by the government, a number of isolated experiments were initiated in various parts of the country, primarily through innovative administrators and social reformers.

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*Professor, Indian Institute of Management, Ahmedabad.

[1] World Bank, The Assault on World Poverty (Baltimore: John Hopkins University Press, 1975), p.3.

[2] These objectives include improved productivity in rural areas, increased income levels, and provision of minimum levels of food, shelter, education, and health.

2.1 Projects prior to CDP

Village upliftment was attempted through a number of projects initiated by social workers and other individuals who were genuinely concerned with the poor living conditions in the rural areas. A number of experiments were carried out in various parts of the country; however, the projects initiated at Sreeniketan, Gurgaon, and Etawah need special mention. Also, the Gandhian movement had a great emphasis on improving the living conditions in the rural areas.

The Sreeniketan experiment, initiated by Rabindranath Tagore, highlighted the importance of adult education, rural sanitation, and preventive measures against epidemic diseases like malaria. Though the experiment achieved some success, it was not duplicated in other areas, presumably due to the absence of inspired and dedicated leaders like Tagore.

The Gurgaon experiment started by Mr. F.L. Brayne, the then Deputy Commissioner of the district, included activities to increase agricultural production, reduce handling losses, and improve education and health standards. The programme achieved good results. However, the whole programme was highly personalized to the extent that it faded away on Brayne's retirement.

The Etawah project was initiated on a pilot basis by Mr. A. Mayer. It had the village as the primary unit. The project emphasized the need for exploring the potentialities within the area. It was based on the principle of working with the people rather than working for the people.

The Gandhian movement laid emphasis on making each village self-sufficient and self-reliant. The activities included removal of untouchability, prohibition, use of khadi, promotion of village industries, upliftment of backward classes and tribes, betterment of women and children, and creation of facilities for health and education.

2.2 Community Development Programme

The Community Development Programme was started in 1952 with the objective of bringing about a social and economic transformation of the rural population. A block consisting of about 100 villages with a population of about 60,000 to 70,000 was identified as the basic operational unit.

The programme included the supply of agricultural inputs such as seeds, pesticides, implements, machinery, and credit; provision of marketing and storage facilities; construction of minor irrigation works and feeder roads; establishment of village industries; and provision of facilities for education and health. At the block level, the services of different government agencies were co-ordinated by the Block Development Officer (B.D.O.). A Village Level Worker (VLW) acted as the link between the villagers and the extension officers at the block level.

The initial expectation that CDP would be able to bring about rural development proved to be wrong. A number of evaluation studies of the programme have pointed out the factors responsible for this failure. Lack of spatial plans to suit the requirements of each block, lack of administrative co-ordination among the various agencies involved in implementing the programme, and the weak link established at the village level through VLWs were some of the major factors responsible for this. For example, Sen observes:

> The CD Programme stopped after bringing experts from various fields together. There was no guideline for integrating actual development process in an area. No systematic attempt was made to find out the locational relationship which contributes towards an integration of the entire process of development. Because of the ad hoc location of various economic activities, the expected economic development never materialized.[3]

In spite of this, the programme was instrumental in laying down the minimum basic infrastructure for rural development.

2.3 Intensive Agricultural District Programme

The Intensive Agricultural District Programme (IADP) was introduced in 1960-61 in a few selected districts which had adequate rainfall or irrigation facilities and the basic infrastructure facilities. The objectives of this programme were:

1. To achieve rapid increases in the level of agricultural production through a concentration of financial, technical, extension and administrative resources.

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[3] L.K. Sen, Integrated Area Planning: Concepts and Methods (New Delhi: Training Division, Department of Personnel, Cabinet Secretariat, 1972), p.10.

2. To achieve a self-generating breakthrough in productivity and to raise production potential by stimulating the human and physical process of change.

3. To demonstrate the most effective ways of increasing production and thus to provide lessons for extending such intensified agricultural production programmes to other areas.

An evaluation of IADP indicates that the programme was successful in a few districts; in others it failed to make any substantial contribution. This differential impact was partly a result of the regional characteristics of the districts. One of the basic assumptions in IADP was that a viable agricultural production technology was available and the infrastructure created through the programme would take this technology to the farmers. However, it is doubtful whether such a viable technology existed when IADP was introduced. Also, IADP confined itself to a sub-set of activities required for rural development, i.e., agricultur development. Even within agriculture, a larger share of the benefits accrued to farmers with large land holdings, resulting in wider inequalities in the farming community.

2.4 High Yielding Varieties Programme

The Fourth Five-Year Plan evolved a new agricultural strategy which focussed on combining High Yielding Varieties (HYV) of seeds with a package of complementary inputs. The programme was implemented in areas with assured water supply. The improved response of HYV crops, especially, wheat, to fertilizer applications has made it possible to increase the yield of crops covered under the programme.[4] Though the performance of HYVs was not directly related to the size of holdings, the gain of increased production was primarily derived by progressive farmers with relatively large holdings. This further aggravated the disparity in income between the big and small farmers. It was also argued that the landless agricultural labourers did not get any substantial increase in their wages as a result of the improved income of the landlords and this further increased the social tensions in the rural areas.

2.5 Special Development Programmes

A review of the developmental strategy followed until the Fourth Plan period indicates that agricultural development was the

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[4] Ralph W. Gummings (Jr.) and S.K. Ray, "The New Agricultural Strategy its Contribution to 1967-68 Production," Economic and Political Weekly, Review of Agriculture, 4, (March 1969), pp.A7-19.

main thrust of these programmes. Obviously, the areas chosen for these programmes had some natural advantages. The outcome of this process was that areas with relatively less favourable natural endowments (e.g., areas with low rainfall or no irrigation facilities) were left out from the purview of any development programme. This has contributed to regional imbalances.

Another factor causing these regional imbalances was that uniform programmes were implemented in all selected areas. Consequently, the benefit of the developmental expenditure was mainly derived by regions which were better endowed in terms of natural resources and infrastructure facilities. The market processes also discriminated against the backward regions because the pay-off from investment was much lower in these areas than in areas with better natural endowments. Even in regions where a perceptible growth took place, the benefits were not equitably distributed. The small farmers and landless labourers could make at best only marginal gains and this resulted in social tensions in many such areas.

Another adverse effect of the developmental programmes was that it created disparities among the rural people. The increased production resulting from the use of improved technology did not make a substantial impact on the income position of the rural poor, especially small farmers and landless agricultural labourers. This resulted in social tensions in many areas.

Thus the experience of these programmes has confirmed the fact that growth oriented programmes <u>per se</u> will not ensure rural development. It was realised that to reduce unemployment and inequality in income distribution, the growth oriented programmes needed to be supplemented with specific programmes to meet the requirements of the weaker sections of society and of the backward regions. This concern has resulted in the creation of special development programmes for weaker sections and areas with limited resources. The Small Farmers' Development Agency (SFDA), Marginal Farmers and Agricultural Labourers' (MFAL) Programme, Crash Programmes for Rural Employment, and Drought Prone Area Development Programme (DPAP) belong to this category.

2.5.1 SFDA and MFAL projects

While the new technology was considered to be neutral towards the size of holdings, the small and marginal farmers could not adopt the improved package of inputs, mainly because of the shortage of investible funds with them. To overcome this, the All India Rural Credit Review Committee recommended the creation of the Small Farmers' Development Agency (SFDA) to help small and

and marginal farmers. This recommendation was accepted by the government and 46 pilot projects for small farmers, and 41 projects for Marginal Farmers and Agricultural Labourers (MFAL) were started in selected districts during 1970-71.

The objectives of the SFDAs and the MFAL projects were defined thus in a Government of India Circular:[5]

1. To identify small farmers, marginal farmers, and agricultural labourers and their problems in the area;

2. To draw up model plans forinvestment and production activities to be undertaken by small farmers, marginal farmers, and agricultural labourers for solving these problems;

3. To execute these plans for the benefit of small farmers, marginal farmers, and agricultural labourers either directly or in co-ordination with existing agencies engaged in this field, whether public, private or co-operative, such as Zilla Parishads, agro-industries corporations, cooperative banks, commercial banks and departments of state and central governments;

4. To review the progress of the execution of these activities as well as the effectiveness of the efforts undertaken to benefit small farmers, marginal farmers and agricultural labourers.

The SFDAs and the MFAL projects did not have their own field staff. They had to work with the existing agencies and financial institutions. They undertook the following functions to fulfil their objectives.

1. They took steps to ensure the availability of adequate credit to their target groups by providing grants to credit institutions operating in the area, by covering any lending risk expected in financing the weaker sections (target groups of the agency), by helping the credit institutions to build up special funds for the purpose, and by providing grants or subsidies to such credit institutions for strengthening their managerial and supervisory staff.

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[5] Letter No.11-21/69 Agricultural Credit, dated 19-11-69, from the Government of India, Ministry of Agriculture, quoted from Compendium of Instructions on SFDA/MFAL Projects, (December 1971).

2. They gave necessary assistance including grants to small farmers, marginal farmers, and agricultural labourers for furthering the pruposes of the plan schemes undertaken or supported by the agency.

3. They arranged for the supply of inputs such as fertilizers, seeds, and agricultural machinery to their target groups.

4. In some cases, they also arranged for the supply of agricultural machinery on a custom hiring basis and gave assistance for allied agricultural activities.

The SFDAs and the MFAL projects faced several problems in the identification of beneficiaries because of the lack of precise criteria, faulty land records, and the lack of their own field staff. Despite these problems, they identified 23.66 lakh small farmers, and 11.26 lakh marginal farmers and agricultural labourers by March 1973. About 43 per cent of the identified participants were brought under the operative field. During the Fifth Five Year Plan, it is planned to increase the number of SFDA/MFAL Schemes to 160 from the existing 87.

2.5.2 Crash Scheme for Rural Employment

This scheme was started during the Fourth Five-Year Plan to provide employment opportunities for unemployed persons in rural areas. It was anticipated that the scheme would employ about 100 persons in every block. Though the scheme did provide employment to a limited number of persons, it could not make any substantial contribution to rural development mainly because of the following problems:

1. The scheme was not integrated with any other developmental activities in the area.

2. There was only a small amount of resources available to the scheme and this small amount was thinly scattered over a large area.

2.5.3. Drought Prone Area Programme

It was pointed earlier that the benefits of the early technological improvements in agriculture were confined to areas

with favourable climatic conditions. The erratic monsoon creates famine situations in many areas. During 1970-71, the government initiated the Rural works Programme with a view to create employment in rural areas through the construction of productive assets such as irrigation tanks and roads. The results of the programme during the first three years of its operations indicate that inadequate planning of works in many areas resulted in the construction of many non-productive assets.

Realizing this problem, during the Fifth Plan, an emphasis was placed on providing an integrated plan for the development of drought prone areas. From a purely employment programme, the Rural Works Programme evolved into a comprehensive programme (renamed as the Drought Prone Area Programme - DPAP) with a major emphasis on "drought-proofing" the districts covered under it. In fact, this implied the development of district plans to stabilize both production and employment under the erratic monsoon. The specific plans taken up in each district were based on the resource potential of individual districts. The activities of various government agencies working at the district level were co-ordinated by a district level development authority. The specific elements identified for special attention in these districts included:

1. Restoration of ecological balances
2. Development and management of irrigation resources
3. Soil and moisture conservation
4. Afforestation
5. Changing the cropping pattern and agronomic practices
6. Development of livestock
7. Development of small and marginal farmers.

Though the importance of providing drinking water and developing rural communication was realized, these activities were excluded from the purview of DPAP.

The problems of the tribal population living in hills and forests required special attention. Therefore, Tribal Area Development Schemes were introduced taking into account the special problems of the area. Here again, attempts were made to include activities suitable for exploiting local resources.

3. Integrated Rural Development Programmes

3.1 The concept

The foregoing discussion indicates that many programmes were not capable of bringing the desired level of prosperity to the rural areas. While certain administrative lapses did take

place here and there, it should be accepted that the problem itself was such magnitude that no easy solution could be found.

The problems associated with rural development can be broadly classified into two groups, viz., 1) inherited problems, and 2) induced problems. The very low level of incomes in the rural areas and the resultant malnutrition, high infant mortality rate, poor housing facilities, inadequate supply of drinking water, and widespread illiteracy are examples of inherited problems. At the same time, the success of some governmental measures to remove socially undesirable characteristics has led to a number of other problems, which are referred to as induced problems. For example, improved medical facilities lead to increased population by way of reduced infant mortality rates and increased life expectancy. The success of HYV in irrigated areas has often brought about an uneven distribution of economic benefits between those farmers with enough resources to capitalize on the new varieties and the poor farmers. To overcome such problems of inconsistency between equity and productivity objectives, it was considered necessary to formulate a set of integrated policies instead of isolated programmes and projects. This realization has resulted in a number of activities which, in general, are known as integrated rural development programmes. The usefulness of an integrated project is that it makes a set of complementary services available to the rural families at convenient terms and conditions.

The integration envisaged in integrated rural development programmes is either spatial or administrative. Spatial integration is achieved through the choice of a planning region which can be conveniently served by various facilities required for improving the quality of life. Growth centres and service centres are examples of spatial integration. Administrative integration is brought about through channelling all activities related to the planning and implementation of a given programme through the same agency. Many development programmes require the provision of a number of services simultaneously. Often, lack of co-ordination among the agencies responsible for supplying the needed services hinders effective implementation. To overcome this, it was conceived that these agencies should be integrated through an administrative system. Mosher points out that "the major requirement is that such services be simultaneously available and it is frequently possible for that to be achieved without administrative integration..... Different combinations of administrative arrangements can provide simultaneity; administrative integration is only one way of achieving it."[6]

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[6] A.T. Mosher, Projects of Integrated Rural Development, ADC Reprint, December 1972, p.2.

3.2 Nature of activities

The nature of activities included in an integrated rural development programme needs careful consideration. Often there is a tendency to confuse agricultural development with rural development. Agriculture being the major activity in the rural areas, agricultural development will undoubtedly occupy an important place in any rural development programme. However, it should be emphasized that agricultural development per se will not improve the quality of life in rural areas. It should be clearly understood that whether or not increased agricultural productivity will increase the satisfaction of rual living depends on how the rewards of the increased production are divided among the land owners, tenants, farm labourers, and urban consumers.

- Mosher identifies the following six agricultural and seven non-agricultural activities that are normally included in integrated rural development projects:[7]

Agricultural Activities

1. Retail outlets for farm inputs
2. Production credit
3. Extension education
4. Local verification trials
5. Farm-to-market roads
6. Markets for farm products

Non-agricultural activities

1. Rural industries
2. Rural public works
3. Community development construction projects
4. Recreational and cultural activities
5. Family welfare activities
6. Health facilities
7. Family Planning programmes.

In addition to these, schools, local government, and religious activities can increase the satisfaction of rural living.

Though it is possible to list some of the activities that contribute to the development of an area, it is difficult to specify a uniform pattern of activities for all regions in the country. The resource base and the potentially viable activities vary from region to region.

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[7] Mosher, op. cit., p.3.

3.3 Factors influencing the success of integrated projects

Not all the integrated projects were successful. A review of some relatively successful projects indicates a few common characteristics. A major factor influencing the success of integrated projects is the extent to which the project is in a position to utilize the resource base available in the area. It is not possible to develop all regions in the country using resources generated outside the regions. This implies that there be a minimum transfer of resources from one region to another. However, for the full utilization of certain resources in one region, complementary resources from other regions may be required. While the desirability of such a transfer of resources is not denied, the emphasis should be on trade or exchange rather than aid.

Another factor influencing the success of integrated projects is the level of participation of the people residing in the area. The chances of success of a project visualized by the rural community as their own project are much higher than of a project which is considered to be imposed from outside. It should be kept in mind that people are the target as well as the essential variable in development. In the absence of the involvement of the rural people in the planning and implementation of their development programmes, these people do not take many government sponsored programmes seriously. Therefore, in many areas, the participation of the rural population in developmental activities is limited to availing subsidies and other benefits provided in the programme without a proper follow-up.

Thus, the successful implementation of integrated rural development programmes implies two important considerations at the planning stage:

1. Identification of suitable activities based on local resources and comparative advantages.

2. Participation of the rural community in evolving the activities.

While the first consideration ensures efficiency in utilizing local resources without undue dependence on external assistance, the second introduces a sense of commitment in the rural population towards the activities included in the programme..

3.4 Difficulties in implementation

It is interesting to note that a number of persons in charge of integrated rural development programmes recognize the importance of these factors in planning such projects. Yet, only in a few cases are these factors considered at the planning stage. There are genuine difficulties in operationalizing these factors. For example, the preparation of a programme which would use the local resource base will involve a careful study of the existing resources, the alternative uses of these resources, the economic viability of utilization, and the possible demand for the goods and services created. Unfortunately, such a detailed inventory of resources and their possible utilization pattern do not exist for many areas. Further, the issues involved in micro-level planning are identical to those involved in developing regional or district plans. It is well known, that the attempts to develop decentralized plans for the block and district levels have remained more or less pious hopes in many areas. Even in areas where genuine efforts were made to develop such plans, the final outcome was a collection of schemes from the central and state plans. Obviously such a collection of schemes cannot become the basis for an integrated area development programme. Also, no satisfactory methods have been evolved to associate the rural population with the planning process.

A few other problems are involved in making integrated rural development programmes a success. These programmes imply a certain amount of co-ordinated effort to provide services needed for improving the satisfaction available to the rural community. To make effective use of these services, it is necessary that they are conveniently located at a short distance from the villages. At the same time, the cost of providing these services increases with a decrease in the size of the operating units. Thus in choosing the number and location of service facilities, a balance between convenience and economy should be maintained. Though this is conceptually feasible, it is rather difficult to operationalize. Further, the service centres so identified may not coincide with the existing administrative divisions, and therefore, it becomes difficult to achieve administrative co-ordination in integrated development programmes. Due to these problems, the identification of the area of operation of the project becomes difficult.

The relationship of the integrated programmes with the existing administrative departments of the government is another major problem area. Often, these programmes require that persons belonging to various administrative departments of the government work together. Though various co-ordination committees

are established at the project level and above, the major operational responsibility is entrusted to one ministry. For example, at the central level, rural development activities are handled by the Department of Agriculture. In spite of the precautions taken at various levels, the inability of the different departments to reach a common understanding has hindered the progress of many projects. Conflicts on the administrative and technical control of the staff working at the block level in the CD blocks is an example. Though a number of organizational innovations have been tried since the establishment of CDP, they were not adequate to eliminate the basic problem. In areas where the project area and the administrative area coincide, there is a possibility of reducing the magnitude of this problem. However, even in such areas, problems of integration in the sub-areas of the project and of co-ordination at the national level continue to exist.

Yet another problem relates to financial support. If the integrated programmes do not form part of a given department, budget provisions have to be made from centrally sponsored schemes. In a planning situation where the administrative departments claim a higher share of plan allocations year after year, it is quite likely that integrated programmes outside the department framework may be at a disadvantage.

Issues related to the responsibility for the implementation of integrated projects are also unresolved. In some areas voluntary organizations are involved in creative rural development activities. In such areas, where a successful voluntary agency exists, there is a strong case for entrusting the responsibility for implementing rural development activities to it. Similarly, a case can be made for establishing people's organizations, like farmers co-operative societies, to take up this responsibility. In areas where neither people's organizations nor voluntary organizations exist, it is necessary for the government to take this responsibility. Unfortunately, in many cases instead of taking a pragmatic view of the problem, a substantial amount of time is devoted to discussions of ideological considerations. This has often resulted in slow progress. As Ruttan and Hildreth point out: "Rural development, particularly integrated rural development, can be described, not too inaccurately as an ideology in search of a methodology, or a technology."[8]

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8 V.W. Ruttan and R.J. Hildreth, The Legitimacy of Agricultural Economics and the Demand for Knowledge in Agricultural Economics, 1975, p.44 (mimeographed).

3.5 Future of integrated rural development programmes

The future success of integrated rural development programmes depends upon the elimination of some of the above problems. No doubt, the social awareness of these problems and the political determination to improve the living conditions of the rural population have provided an impetus to overcome these problems. The central as well as state governments are showing an increasing concern for providing social justice to the rural population. The increasing awareness of the inequality between the urban and rural populations and between the rich and the poor within the rural areas has led to the implementation of many administrative and legislative measures. While this is a welcome step, it should be clearly understood that some of the problems mentioned above cannot be solved through administrative action alone. They will require the introduction of new knowledge in the area of rural development processes.

Technologists have a crucial role to play in identifying viable technologies suited to rural areas. In many cases, a viable technology for rural areas may not exist. At the same time, social scientists will have to understand the process of rural change and suggest suitable measures to transfer technology and to achieve an equitable distribution of the benefits derived from improved technology. A number of prominent technologists and social scientists belonging to leading academic institutions have initiated work to find answers to the problems of rural development. It is reasonable to expect that this intensive search will lead to some answers. The efforts of the academic community together with the political determination to take bold measures provide sufficient reason for hoping that better living conditions will prevail in rural India.