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AND APPROACHES

by
V.S. Vyas

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Indian Institute of Management
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RURAL DEVELOPMENT - SOME ISSUES AND APPROACHES*

V.S. Vyas

A study of the Rural Development Programmes (RDP) in our country and abroad would suggest that these programmes have certain discernable attributes, some of these are reflected in their basic approach to economic development while others can be identified as distinct processes by which development strategies are operationalised. The basic attributes of development strategy of which RDP is a logical extension are, 1) it aims at relieving abject poverty by providing opportunity for gainful employment for rural and urban poor and 2) it emphasises improvement in the quality of life of the poor by providing educational, health, housing and other similar facilities. However, RDP is more than a comprehensive, poor-oriented, growth strategy.

Areas of Agreement

A broad consensus has emerged by now on the processes which distinguish RDP from other production or welfare oriented programmes. Three conditions may be postulated for qualifying a programme to be a RDP. Firstly, in the process of RDP social and economic inequalities should not get accentuated. For example, a programme which perpetuates the phenomenon of 'dual economy' will not be accepted as RDP, even though it may contribute to the removal of abject poverty. Secondly, there is a clear emphasis on self-reliance.

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A distinction between self-reliance and self-sufficiency can be easily made. Emphasis on former implies that the role of subsidies will, at best, be transitional. A programme which has to rely on outside assistance for its survival can hardly be considered a RDP. Thirdly, provision of opportunities for active participation of the beneficiaries in the planning and implementation of various activities and forms for utilizing such opportunities, are considered essential ingredients of RDP. Thus, an egalitarian bias, emphasis on self-reliance, and local participation are key elements of RDP.

While the basic conditions postulated above hold true, differences on operational, and in some respects even on ideological contents are sharp. This paper highlights some of the unresolved issues which deserve careful consideration. It poses the problems and also indicates possible approaches in tackling these issues. The treatment of issues, however, can neither be called comprehensive nor wholly "objective". Involvement in two action-research projects in India, and an opportunity to examine macro policies in the area of rural development in several Asian countries, have influenced the author's assessment of the issues raised and approaches commended.¹

¹ See, Indian Institute of Management, Centre for Management in Agriculture, 1) Reports on Dharampur Project, 2) Reports on Davgarh Project (forthcoming). Also, Rural Asia - Challenge and Opportunities, Report of the Second Asian Agricultural Survey, Asian Development Bank, Manila (forthcoming).

The issues discussed in this note may be divided into two categories, basic issues and operational and strategic issues. While describing an issue as basic or operational no hierarchical considerations are involved. The emphasis, in this note, is on the operational issues. But as the operational decisions, at least the major ones, cannot be divorced from their ideological moorings, it is necessary to be clear on some of the fundamental questions pertaining to RDP.

Relevant Issues - The Key Elements in RDP

1) Socio Economic System and RDP

Problem

Posed in the most direct way the issue is, will not the existing power configuration totally vitiate the results, or worse, would convert any such programme into a system supportive effort. Is it not logical to first attack the very edifice i.e. the property relations, which supports and consolidates a system which has resulted in a state of deprivation for the large masses and affluence for a few privileged sections.

Approach The RDP implies a shift of political power in favour of rural poor. Without such a shift necessary political conditions for transfer of resources in activities which help poor, do not materialise. In other words RDP can have a meaning only when "hills" of inequalities are removed. However, every step which is

taken to strengthen the poor, weakens the hegemony of the rich and the established. In a pluralistic society like ours, it is possible to generate pressures to weaken a section of the privileged group. A legislation or an administrative measure adopted as a part of RDP can be used as a rallying point for those who are likely to benefit from it. In other words, measures for socio-economic change and RDP can be made mutually reinforcing.

2) Need for Structural Change

Problem Even if one is not thinking in terms of total revolution, effective RDP must be preceded by land reforms and other forms of structural changes which would ensure an equitable access to land and other resources. In the absence of far reaching land reforms it is not possible to create either an atmosphere favouring rural poor nor will it be possible to orient institutions like credit, input supply and marketing, to function in favour of the poor. At the same time, implementation of land reforms can be quite disruptive, it may affect - at least in short run - production and prove to be expensive in terms of services to be provided to the new beneficiaries. Besides, in a country like ours it is likely to affect adversely a very large number of medium farmers. Has the system got capacity to risk their antagonism?

Approach Relationship in land is one of the most fundamental economic relationships in a poor agrarian country. But when it comes to structural reforms the scope for discrimination must be

recognised. There are areas where distribution of holdings is not excessively skewed, tenancy ratio is low, and terms are not unduly heavy, as in the western part of India. There are other areas where reverse holds true (e.g. parts of Bihar, Orissa and tribal belt in general) and a rural oligarchy controls land, employment, inputs and output markets, and appropriates for itself ~~the~~ bulk of the produce of the rural poor. In the latter case the RDP cannot proceed without an effective land reform programme while in the former case one has to look for the causes of poverty in other directions, e.g., resource base of the population might be depleted or an appropriate technology may not be available, or state policies may have a distinct urban bias. Besides, land reform should not be considered as a fixed package of legislative or administrative measures. Certain circumstances may warrant breaking up of large holdings, while others may suggest consolidation of small holdings. In certain circumstances tenancy is an index of exploitation, whereas in others it may impart to the agrarian structure a needed flexibility. In any case, land reforms should not preempt other programmes. For certain sections like landless labourers an employment programme might have greater relevance than land reforms, especially if the scope for redistribution of land is limited.

3) Appropriate Technology

Problem The available technology is geared to the resource endowments commanded by the affluent sections of population. To make

a departure and generate new technologies for poor is a difficult and time consuming task. It becomes more formidable because of natural and physical constraints. It is not easy to accommodate all the socially and economically desirable features in a production technology. A technology for small farmers, for example, is expected to be low cost, low risk, and ensure high return. It is difficult to fulfil each one of these qualifications and almost impossible to evolve a package comprising all these.

Approach The research priorities need to be closely examined. For example, greater emphasis on subsistence crop can directly benefit marginal farmers. Evolution of pest and drought resistant crops are in the same category. More adaptive research, and extension of the research results will also benefit the small farmers. However, too much should not be expected from appropriate technologies if the pattern of land holdings and organizations for supplies and credit are not properly aligned to the requirements of technology. For example, if the existing technology has certain characteristics which favour large farms - in any case, bigger decision making units - it may be necessary to examine various possibilities for consolidation of smaller farms into larger decision making units. The ingenuity would lie in devising appropriate forms for such consolidation. The important point is to ascertain that the resource base (land holding pattern), capability of the decision makers, supportive organisations (credit, marketing, etc.) and the production technologies are mutually consistent.

Relevant Issues: Strategic Aspects

4) Area Development Vs Beneficiary Oriented Approach

Problem In order to translate RDP into meaningful projects, it should have a geographical locus. Since active participation of beneficiaries is one of the conditions of RDP projects, normally a RDP project does not cover areas bigger than a district, in fact, in most of the programmes, a block or a taluka, or even a smaller unit comprising of a few villages, constitute the project area. Once the project area is defined, should the focus be on the development of the whole area or only on an identified set of people? The advantages of covering the whole area are obvious. The integrated and ecologically sound plans can be developed for the area. The process of planning in an area unit is relatively easy, and the methodologies are being standardized (input-output growth poles, resources conservation and the rest). Yet in an area approach there is always a danger of the really needy being left out. One can assume a powerful "percolation effect", but in most cases it is an unrealistic assumption. On the other hand it is a difficult task to plan for a set of identified people not located at one place but interspersed in a larger area with different resource base and skills. Besides, the development of the poor even when they constitute a majority cannot be considered in isolation from other sections of the society.

Approach Whichever way one adopts, RDP once translated into projects will have an areal frame. The extent of the beneficiary-

specific programmes will depend on two factors, i) to what extent the heterogeneity exists in the area in terms of resource endowment and human skills, and ii) how the economy of the poor is integrated with that of the not-so-poor. If the resource endowment and skills are similar and/or economies of various units are integrated in a mutually supportive way, the area approach and beneficiary-specific approach would more or less converge. In situations where these conditions are not fulfilled two approaches may significantly diverge. Since such differences are rules and not exceptions, beneficiary-specific activities can better serve the objectives of RDP. Activities designed to serve the interests of various groups of disadvantaged population will have to be later integrated in the area context, and at that time the ecological as well as spatial considerations can be taken into account. Only when all the production units face common hazards which also have adverse repercussion for population dependent on wage paid employment (as in drought-prone areas) the spatial planning may have an advantage. In such cases, differential benefits which are likely to accrue to various sections should be anticipated and accounted for. The issue posed in this manner should not be confused with the integration of certain activities in a backward area with an external market. The latter can be accommodated in a beneficiary specific approach.

5) Weightage to Social Services

Problem Poor are handicapped not only because they have low resource base but also because as individuals they are ill-equipped, i.e., less educated, face health hazards and are served by meagre and inefficient community and civic services. Investment in human being by way of educational and health facilities designed for the poor is important. Yet there are several reasons why the investment in the social services, especially in the beginning phase of a RDP, raises controversy. Many of these services are resource intensive and, therefore, take away part of the resources which can be better utilised for organizing economic activities. Since investment in the provision of these services is relatively easier than the organization of economic activities, there is a tendency on the part of bureaucracy to give greater emphasis on these services. Secondly, if the economic base is weak there is no assurance that the interested beneficiaries will avail of other services. Reluctance of the poorer sections in the rural areas to send their children to school illustrates this fact. Besides, the way these services are organised they do not have immediate relevance for the rural poor and often prove contra-productive.

Approach If services like education and health are not provided as public goods, there is no chance for the poor to avail of them on the strength of their purchasing power. Without public investment in these services the poor will always face these handicaps.

Besides, a modicum of education and health facilities are already available in every part of the country. The contribution of RDP should be ^{to} organize them properly to better serve the rural poor. The problem, thus, is not so much of outlay of additional resources as that of getting adequate returns from the invested resources. The role of education and health should be assessed in terms of their contribution to the efficiency of rural poor as producers and consumers.

6) Infrastructure for Rural Development

Problem In most of the backward areas in the country the infrastructural facilities, i.e., transport and communication, are inadequate. How much importance should be attached in filling up these gaps? The logic which suggests a degree of caution in committing large investments in social services is also, to an extent, applicable to the investment in infrastructure. These are capital intensive activities and without complimentary investment in economic activities can remain under-utilised for a number of years. Moreover, creation of these facilities may result in more powerful interests to make in-roads in the backward areas and worsen the situation.

Approach Roads and communication facilities provide the externalities needed for development of a community. In fact, poorer the community larger the role of these externalities. Inadequate physical links with the outside world often result

in the areas becoming special preserves of a few powerful families. It restricts the markets for inputs and output, and deprive the area of the services of the key functionaries. So by keeping such areas away from the mainstream, the exploitation of the poor cannot be avoided. In fact, if the exploitation in tribal areas is any indication, the reverse happens to be the truth. The establishment of powerful linkages with the centres of high purchasing powers, or with potential or extent growth points, have benefited areas and their people. In order to safeguard the interest of the target groups and also to obtain adequate return on the investment, there is a need for a complimentary plan of economic activities and services. The need for economizing the expenditure on the provision of these facilities should be fully emphasised. With the application of tools of management and operational research, substantial economy can be effected and a good deal of wastage or unnecessary expenditure can be avoided.

7) Single Vs. Multi-sectoral Approach

Problem Most of the successful RDI projects have concentrated on a single, normally the major, activity of the area. The advantages envisaged are that a 'closed technology' directed towards the improvement of a sectoral performance has better chance of being accepted by the beneficiaries. The effort to cover a large number of economic activities may prove to be difficult at the planning stage and may lead to dissipation of resources when implemented.

At the same time the beneficiaries of a single sector programme may not necessarily be the most disadvantaged groups, and the latter may have to be satisfied with the "percolation effect", if any.

Approach. The basic objective of RDP is to remove abject poverty and so it has to aim at improving economic conditions of the rural poor irrespective of the fact whether they are earning their livelihood from the major activity of the area or not. Normally, a large number of rural poor would benefit from any development in the major sector of the economy provided special care is taken to devise these activities. But it could also be other way. Groups having different skills and resource base may need a different and discriminating approach. Major activity need not be only cultivation. It could be forestry, or animal husbandry, or fishing, or rural arts and crafts. For people without land base special employment programme of the rural works type may be the only alternative. There is, however, a distinct advantage in integrating different activities in such a way as would strengthen the major sector of the economy. For example, the wage-paid employment if directed to such projects as are likely to strengthen production capability of agriculture, would enhance the capacity of the system to serve both small farmers and wage labourers. Demand for the products in various sectors should not be taken for granted. This consideration supports strengthening of those activities for which markets could be easily identified. These are, generally, the activities for which a region already has some comparative advantages.

8) Limits to Decentralization

Problem The condition of local participation in planning and implementation involves decentralization of responsibility. In practice it may create several problems. For example, an arrangement for apportioning gains from public investment and levying charges for the benefits accrued (say, in a watershed development programme) is difficult to arrive at in the initial stages of RDP by voluntary negotiations. Similarly, the activities which are specifically designed to benefit the rural poor are more likely to be affected by the vested interests in the area, especially if it means diversion of resources from the existing allotment. An outside agency away from the local scene has certain advantages in taking and implementing such decisions, particularly when the community comprises of both economically and socially heterogeneous groups of people.

Approach While the ultimate objective is to involve the beneficiaries in the fullest possible measure in the developmental tasks, as a process it will take a long time. Meanwhile responsibilities for those activities which are likely to benefit the whole population (e.g., a school or primary health centre) may be entrusted to the local community, and the activities which are going to benefit only a section of population, particularly the weaker sections, have to be initiated and overseered at a higher level. However, in the implementation of latter group of

activities, the participation of the beneficiaries should be ensured right from the beginning. Apart from the aspect of general or specific benefits, the other criteria to devolve authority should be, 1) spatial coverage of the activity, and 2) the type of skills needed to formulate and implement it.

9) Bureaucracy as an Agent of Change

Problem Many activities which can obviously benefit rural poor, including economic, welfare, and regulatory activities, are today manned by bureaucracy. At present, state is the most important promotional agency for rural development and bureaucracy is the main instrument to implement the programmes. However, bureaucracy has certain inherent limitations in implementing a RDP. The social origin of bureaucracy is partly responsible because most of the government functionaries do not come from the poorer section of the society. Functions they are accustomed to perform are regulatory or control functions. Organizationally most of the governmental activities are vertically devised and controlled, while a programme, such as RDP, requires a horizontal convergence of various activities at a micro level. Thus socially as well as functionally bureaucracy is severely handicapped to perform its role in RDP.

Approach The role of bureaucracy as a change agent and the part it can play in rural development should not be underestimated. The limitations suggested above call for more purposeful action.

The local overseeing of the bureaucratic action can be taken as one of the corrective steps. Unfortunately, the experiments made in this direction, mainly the panchayati raj, have not yielded desired results. There is a need to understand more thoroughly why panchayati raj has not succeeded. Valuable lessons for RDP can be drawn from such an assessment. This will also have a bearing on the crucial issue of the nature of organization of the beneficiaries. In other areas of bureaucratic functioning certain aspects can be highlighted, for example, the need for an identifiable responsibility centre in every rural development project area. Earlier a collector at the district level and to an extent a tehsildar (or mamlatdar) at tehsil (taluka) level was overseeing most of the governmental activities - which were limited in nature and content - in his area. Over a period of time there is more diffusion, if not disintegration, of responsibility-centre, due to various departmental projects acting in a parallel fashion. A major administrative reform is needed which would establish single authority responsible for the developmental activities in the area. It would also be necessary to bring within the purview of this authority the non-developmental and regulatory functions of the area. Check on this authority should be exercised by the popular censor rather, and not by another department or authority functioning in the same area or elsewhere.

A second relevant consideration is the role and competence of field workers, i.e. in most of the cases village level functionaries.

As instruments of change they are blunted. The main task in this area is to make them more effective. Apart from the skills and emoluments other major consideration should be the environment in which they function. In a poor country RDP will have to be manned by low-cost functionaires. We do have an establishment comprising such functionaires, the methods to augment their efficiency should be high on the agenda of RDP.

10) Outsiders as Change Agents

Problem Outsiders are needed as change agents in villages because of various reasons. Sloth and depravation affect local initiative. Even when such initiative is present it is frustrated by vested interests. Apart from initiative, the needed competence in identifying various gainful activities, relating these to each other and to the aspects of quality of life are such as would need outside assistance, at least in the initial period. At the same time outsiders have several limitations. Their knowledge of the area may be perfunctory. Their commitment to the development of the rural poor may prove to be a transitory interest, or they may perpetuate their existence in the area and consider themselves indispensable. Usually they bring disproportionately large resources - in man and material. The projects started with outsiders have generally remained deficient in the quality of self-reliance.

Approach There is, however, place for sympathetic, if not committed, outside agent to initiate and work on rural development projects. The role of the outsider can be of an expert, a catalytic agent, and a lobbyist. Those familiar with Indian rural scene will grant that there is a need for such roles. The outsiders while performing these roles should be conscious about the transitional nature of their intervention. They should try to institutionalise as many processes as necessary. In the absence of formal structures, withdrawal of an outsider will result in filling his place by other (may be local) "patron".

Summing Up

Success of a RDP depends on the extent the available local resources in man and material are mobilised to ensure comprehensive development of the people in an area, particularly those who are bypassed by the more aggregative developmental processes. In implementing these programmes ideological clarity is as essential as capacity to discriminate and decide among available options. The list of the issues enumerated above is by no means exhaustive. Also, location-specific and beneficiary-specific nature of RDP do not admit generalizations. Above discussion only illustrates some of the areas where important choices are involved, and also suggests the choice indicators which might be of some help in taking decisions.