CHAPTER - V

POLICIES FOR RURAL DEVELOPMENT

In the previous chapter, administrative organisations for rural development at central, state, district and block levels were discussed to highlight their performance in the implementation of various rural development programmes.

In this chapter we will discuss policies for rural development. The chapter is divided into six sections as follows:

i. The first section deals with meaning and need for rural development policy.

ii. Second and Third sections deal with constitutional commitment and objectives of rural development policy.

iii. Section four deals with Plan-wise rural development policy approach.

iv. Sections five and six deal with strategies of rural development and Plan-wise rural development policies.

5.1 MEANING OF RURAL DEVELOPMENT POLICY

One of the essential functions of the Government is policy formulation. Before we proceed further, it will be worthwhile to understand clearly what policy really stands
for. The term policy has been defined differently by different writers. In the words of Terry "a policy is a verbal, written or implied basic guide to action that is adopted and followed by a Manager." Dimock and Dimock define it as "Policies are the consciously acknowledged rule of conduct that guides administrative decisions".

The term policy is mainly defined as the purposive course of action taken by those in power in relation to achieving certain desired goals. James E. Anderson suggests a definition of policy as "a purposive courses of action followed by an actor or set of actors in dealing with a problem or matters of concern."  

India has adopted parliamentary form of Government. The will of the people is expressed through elected representatives. The Constitution makers wanted to give maximum rights to the citizens by offering an equal opportunity to all men and women irrespective of their caste, creed and colour etc. Legislatures, both at Central and State levels, are thus, the supreme policy making institutions.

5.2 NEED FOR RURAL DEVELOPMENT POLICY

5.2.1 INDIA'S COMMITMENT TO A SOCIALISTIC PATTERN OF SOCIETY

Before India's Independence, the Britishers were mainly concerned perpuating their own rule. They protected and
served their own interests. They were least concerned with the welfare of the people at large. However, after Independence constitution of India was committed to a socialistic pattern of society in which welfare of the people is the main concern of the government and basis for the development of the society. To achieve this end we require an administrative policy to define in clear terms as to what the socialistic pattern of society means. Hence, our five years plans explained all policy statements of the Indian Government.

5.2.2 RURAL POVERTY AND INCOME INEQUALITY

After Independance, India was in the grip of a number of problems like poverty, hunger, ignorance, inequality of income, diseases, unemployment etc. The situation in rural India was much worse than that in urban India. Seventy five percent of the population lived in rural areas and majority of them lived below the poverty line. To tackle these problems, a number of rural development programmes were started and to prepare these programmes policies had to be formulated. Not that all these problems have now been overcome. These problems are still there. Dealing with them is a continous process. Hence, the need for perpupal governmental intervention and formulation of rural development policy to launch antipoverty programmes in rural areas.
5.2.3 FLUCTUATIONS IN AGRICULTURAL PRODUCTION

Rural development has many facets and agricultural development is its major concern. There was a huge gap between the average yield of various crops, and potential capacity of agricultural farms. Development of agriculture also embraces aspects, like land development, expansion of irrigation facilities, quality seeds, chemical fertilizers, agricultural machinery and tools, and above all, marketing of agricultural products. Constant rise in agricultural production is must for sustained development of rural society. Fluctuations in agricultural output lead to still higher fluctuations in agricultural prices and hence, agricultural incomes. Most of the farmers, being small and marginal and poor, cannot bear consequences of fluctuations in farm output and prices. They need some protection from the adverse effect, which can only be provided by the Government in the form of price support, insurance and credit policies. Through these policies the government also tried to raise or atleast stabilise, agriculture production.

5.2.4 INADEQUATE AND POOR BASIC INFRASTRUCTURE IN RURAL AREAS

Inspite of major achievements in various sectors, poverty, particularly in rural areas, skill remains a big challenge. Poverty has close relationship with the backwardness of an area. As far as the provision of basic
infrastructural facilities and services, such as roads, schools, electricity, drinking water, police protection, hospitals, transport and communication, are concerned, they are still inadequate. As a result, villagers are always in urgent need of infrastructural facilities. These can be provided only if a definite rural development policy is not formulated.

5.2.5 SMALL, SCATTERED AND UNORGANISED RURAL ENTERPRISES

Most Rural Enterprises are small, scattered and unorganised. Poor quality of raw material and their inadequate and uncertain supplies are a great handicap in the effective operation of Industrial Units. At certain places, markets are far off and Units in the interior have to pay heavy transport and storage cost. Therefore, there is constant need for public policy to ensure growth and strengthening of enterprises in rural areas.

5.2.6 DEVELOPMENT OF AGRICULTURE

Agriculture is the single largest sector. The national economy contributes about 40 percent of the national income, and about two-third of the population depends directly on it. India's agricultural strategy has the principal aim of maximising agricultural production in order to wipe out the deficit in the country's foodgrain requirements and to provide a strong agricultural base for the growing national economy. Evidently there is the basic need for development in the field of agriculture.
5.3 CONSTITUTIONAL COMMITMENT

The Indian Independence Act, 1947, brought the British rule in India to an end on August 15, 1947 and established two dominions of India and Pakistan, and the Constituent Assembly of each Dominion was to have ultimate power to frame and adopt any Constitution and to repeal any Act of the British Parliament, including the Indian Independence Act. The Constitution of India came into being, on 26th January, 1950. It declared India a Sovereign Democratic Republic and ensured equality of every citizen before law. It adopted the basic concept of human equality and functions on the principles of adult franchise.

That the Democratic Republic stands for the good of all the people is embodied in the concept of "Welfare State", which created the need for directive Principles of State Policy. The economic justice assured by the Preamble of the constitution can hardly be achieved if democracy envisaged by the Constitution were conferred to a "political democracy".  

The Constitution has guaranted certain Fundamental Rights to the citizens in Part-III. It clearly reflects the intentions of the founding fathers of the Constitution to make India a truely Socialistic Democratic State. Fundamental rights (Articles 12 to 35) are the natural rights of the citizens.
Directive Principles of State Policy provide essential guidelines both for the State as well as the citizens for establishing economic democracy in India. Constitutional makers wanted to give the people maximum rights but due to the country's social, economic and political conditions, it was not possible for them to provide everything to the people in the form of rights. Consequently, whatever, possible, they gave the people in the form of Fundamental Rights and the rest they incorporated in the form of Directive Principles with the desire that with the passage of time, these might become rights. These principles are based on socialistic ideas and Gandhian Philosophy. An attempt has been made to point out certain positive steps, both by the Central and State Governments towards adopting these principle as guidelines while framing development policies.

The Directive Principles clearly lay down that State shall secure the ownership and control of the material resources, and the resources of the community should be so distributed as to serve the common good. A number of steps have been taken by the Government in the field of agricultural development, land reforms, industrialisation, democratic decentralization, workers participation and welfare of community etc. A number of positive steps have been taken by the Central as well as State Governments for the promotion of Social Justice and maintenance of social order. Public policy is formulated in accordance with the
needs and basic requirements of the people and area.

5.4 OBJECTIVES OF RURAL DEVELOPMENT POLICY

The Government of India has declared that the goal of the Government is to establish a socialistic pattern of society. The goals of policies are governed by what people desire and the measures of policies by what people think the Government can and ought to do to bring about the desired change. The main objectives of rural development policies are:

(a) to increase the availability and widen the distribution of basic life-sustaining articles, such as food, clothes, shelter, health care and security;

(b) to increase standard of living and purchasing power, creation of more jobs, better education and greater attention to cultural and humanistic values; and

(c) to expand the range of economic and social choice to individuals by freeing them from servitude and dependence.

5.5 PLANWISE RURAL DEVELOPMENT POLICY APPROACHES

Many approaches to rural development have been adopted since the country embarked upon planned programmes of economic development in 1952.
5.5.1 MULTI PURPOSE APPROACH

The Community Development Programmes, started in 1952, aimed at developing, to the fullest extent, the material and human resources of an area through co-operative efforts of the people and active help of the State. The need was to improve the economic condition of the rural people by spreading knowledge of better techniques and instill in them a desire for higher standard of living and spirit of self-help and co-operation.

Changing the outlook of the rural people was an essential aim of the programmes. To elicit active participation of the people they were to be assured of a higher standard of living and convinced that the village development would become and continue to be the people's programme. The areas to be developed included Agriculture, Animal Husbandary, Irrigation, Cooperation, Village and Small Scale Industries, Health and Sanitation, Education, Communication and Housing etc. The involvement of responsible and responsive village leadership and of village organisations and institutions, was accepted by all as being vital for the success of the programmes. If the programme was to become a sustained, living, village self-help programme, planning and implementation of the programme had to be done by the villagers themselves in the form of organisation like Panchayats, Co-operatives, Youth Clubs, Village Development Council etc.⁵
The most important of India's resources were its people. It, therefore, logically followed that the Community Development must keep in mind that the basic objective was to make the village people self-reliant and responsive citizens capable of and willing to participate effectively with knowledge and understanding in the building of a new nation.  

With the high expectations of village people for more and better food, clothing, education, health services, shelter, roads, wells and recreation, the community programmes kept, as a central objective, the necessity of helping the village people increase their income. This meant, first, improving and modernising agricultural practices and methods which are essential for increasing agriculture production. It also meant that attention must be focussed on improving the existing village crafts and establishing new industries to produce the things, villagers want and need, and providing employment opportunities for the large number of unemployed hands.

Under this policy, the basic idea of community development programme was to transform the social and economic life and outlook of the rural people, raise farm production and increase and create a vital progressive rural economy.
5.5.2 TARGET SECTOR APPROACH

The problem of unstable productivity in agriculture is of no less importance than other the problems of growth in agriculture. Therefore, agricultural development became the main aim, which later gave rise to the minimum package approach of inputs on a selected area basis. The practice of defining targets in terms of related physical quantities, and a similar presentation of the total plan, became firmly established. Thus, the areas with higher concentration of poverty require an altogether different approach and more attention of planners to narrow down regional disparities in development than relatively better fed areas.

This approach also has loopholes because it helped only the richer classes. The Green revolution did not bring any solace to the rural poor who continued to remain poor. However, under the rural development programmes related to agricultural development, a uniform approach was adopted in all the areas. Consequently, the benefits of these programmes were derived mainly by the regions which were better endowed with natural resources and infrastructural facilities. Then, arose the problem of increasing regional imbalances and disparities within the same region. As a result of the benefits of growth going in favour of the rich, the problem of poverty and unemployment became even more serious among weaker sections of the rural
population. This approach was adopted with the hope that the fruits of development that would initially be concentrated in certain class-caste strata of rural society would gradually percolate down. Despite development of agricultural sector, unemployment and mass poverty did not show any tendency to decline. Thus, the link between growth, employment and poverty seems at the best tenuous. At this stage poverty was indentified with unemployment and under employment. These experiences led to a major shift in the planning process. Since quite large number of sections of rural population were living in poverty, the need was felt to frame development programmes for this section of rural population. This change in emphasis led to shift from the area approach to the target approach.

5.5.3 TARGET GROUP APPROACH

In situations involving massive under utilization of human resources, a higher growth rate on increased equality in terms of consumption, it becomes very complex problem to identify a particular group. Under this approach, a specific group is selected for in-depth study and Plan priorities are accordingly modified. The National Programme for minimum needs was, thus, adopted. The programme represents thrust of the development process directed towards the provision of certain basic minimum needs like rural electrification, rural roads, elementary education, adult education, rural health, rural water supply, rural housing, nutrition, enviromental improvement of slums and forestry
Mahatma Gandhi had emphasized that the last man should be the first to benefit, i.e. the philosophy of Antodaya. The end of this philosophy and the target approach is the same though means differ. In the approach under discussion development of an area is not evaluated by its gross or per capita products, but by the rate at which the weaker sections of the population of a region grow. The development system produces a client oriented system and the ultimate goal is to transfer all the responsibilities of planning and development to the cliente themselves.7

5.5.4 AREA DEVELOPMENT APPROACH

The central problem of development in India is neither backwardness of agriculture nor population; It is poverty.8 The last decade laid emphasis on the greater use of inputs such as water, fertilizer, better seeds and plant protection chemicals, leading ultimately to steady increase in per hectare yield of practically all important crops; but it did not result in the economic betterment of the rural poor. On the other hand, the Government was faced with the problem of holding unprecedented food surpluses. The strange co-existence of food surpluses, poverty and unemployment has been due to the low consumption of foodgrains in rural sector since employment and income generation under the present pattern have been poor.9
The first aspect involves policies directed towards natural resources based on activities and programmes focussed on asset creation and employment generation. The second aspect, namely, self-sustained development deals with promotion of necessary skills and implementing capacity and evolving institutional environment for effective use of existing resources, and for the utilization of additional financial and human resources.

Added to these two aspects of strategy, an area approach has been adopted. In respect to Projects in which massive investments have been made which do have regional implications, the Area Development Approach was preferred. In this approach, the first step is to identify the backward areas on which efforts are to be concentrated. After they have been identified, it becomes necessary to formulate Integrated Development Programmes on the basis of assessment of resources, and existing infrastructural facilities. From the experience gained in the past, a new strategy has been adopted for planning the development of tribals, etc. Consequently, the sub-plan for these regions is the smaller plan within the State plan and resources has been prepared. For each project, an integrated area development programme, focussing attention on the specific problems of the tribe in that region, is formulated.

Integrated area development requires not only detailed action, co-operation and support but also the building up of
basic infrastructural facilities in the field of communication, irrigation, land development, processing, marketing etc. This approach is an advancement from the concept of "extension" and "welfare" or the concept of investment and "development".

5.5.5 MULTI-LEVEL DISTRICT PLANNING APPROACH

In the concept of District Planning, a District is seen as a sub-system of multi-level planning. The totality of all planning activities at the level of this sub-system would vest with a single District Planning body who would determine the priorities, and allocate funds accordingly among various sectors. Thus, in this concept, lanning functions will not be fragmented among numerous development agencies. The scope of planning activities that would fall within this sub-system is not a perfectly closed one, but recognises the openness of the District economy. The justification for this planning is based on the well-known arguments of micro-level planning.

i. Planning, to be effective, must be related to local resources and needs, 

ii. better use can be made of local resources if planning is done at the micro-level. 

iii. micro-level plan is considered as an effective means of reducing regional disparities and removing absolute poverty at the grass-root level
by encouraging the people's participation. Likewise each District should have an independent decision-making authority and control over the whole range of rural development programmes.

5.5.6 SPATIAL PLANNING APPROACH

Spatial plan is in fact as part at the District Plan. Therefore, it is necessary that before the spatial planning exercise is undertaken, the spatial planner acquaints himself with the objective of the district plan, its priorities, the norms prescribed for different functions, and the resource constraints. He should also acquaint himself with the general socio-economic conditions of the district and its relationship with other districts in the State. These preliminaries are required so that the spatial planning exercise conforms the district plan strategies.\textsuperscript{12}

Another important preliminary in the determination of spatial units of planning which the planner will consider, is the cluster of villages, Panchayats, parts of blocks, blocks etc. Likewise wherever possible spatial planning objectives should be quantified and the time frame for planning be defined.

Thus, the first stage of spatial planning may consist of preparation of some maps depicting present level of development block-wise and cartographic depiction of the infrastructure taking village as the unit as well as inter-
block comparison of the level of facilities of selected items. In the second stage, more sophisticated exercise involving determination of hierarchy of centres and service areas and working out of norms etc. can be undertaken.

5.6 STRATEGIES OF RURAL DEVELOPMENT

The strategy for rural development in its most comprehensive meaning, took shape within the framework of Indian National Congress during its Leadership of the Freedom Movement. Immediately, after Independence, "the development strategy was the direct result of Gandhian – Socialist collaboration". The evaluation of rural development programmes and policies followed in India after Independence, reveals four strategies of rural development.

5.6.1 GROWTH ORIENTED STRATEGY

Under this strategy, the role of the State is to build infrastructure, and maintain a favourable climate to stimulate growth of rural enterprises. Producers of some goods and services are also those who consume other goods and services. However, in spite of the general economic growth in India, poverty, unemployment and inequalities of income and wealth still exist. The distribution of the fruits of production continued to be unequal. Thus, on account of the failure to bring benefits of development to the poorest of the poor, it was realised, that this approach did not serve as a useful and helpful instrument. This
formed the basis of the predominant agricultural development strategy of 1960's when various programmes, such as Intensive Agriculture District Programme (IADP), the Intensive Cattle Development Programme (ICDP), the High Yielding Varieties Programmes (HYVP) were launched. But this model also could not achieve the basic aim to overcome poverty, inequality and unemployment.

5.6.2 WELFARE-ORIENTED STRATEGY

This strategy aims at promoting the wellbeing of the rural people in general and the rural poor in particular by launching a number of social programmes, like the Minimum Needs Programme, Applied Nutrition Programme and Mid-Day Meals Programme. The free or subsidised service, utilised (employed) through public agencies, is expected to improve the consumption levels of those living below the poverty line and thereby raise the productive efficiency of rural workers.

It has been felt that this strategy is based on the assumption that the people are not competent to identify and solve their problems and that Government workers can identify their needs and meet these needs with the available financial and administrative resources. The performance of programmes is judged by the quantity of goods, services and civic amenities delivered. Consequently, this strategy presents a mixed picture. The rural poor are benefited significantly through some programmes in a few areas, but
not in every area this happens due to two major reasons: (i) it creates dependence, and (ii) it requires resources that are beyond the means of the Government.

5.6.3 RESPONSIVE STRATEGY

This strategy seeks to promote the living standard of the rural people through 'self-help' through their own organisations and other support systems. The role of the Government is to facilitate the self help efforts of villagers by providing the technologies and resources that are not locally available. The concept of self help and community "initiative", that seems to be the basis of many programmes, did not find favour with the caste hierarchy and Sajmani system. The India's Operation Flood which was launched in 1970 in eighteen milksheds in ten States is a good example of this strategy. This was aimed at modernising and developing the Dairy industry through the cooperative structure. Many voluntary agencies have also adopted this strategy for speedy development.

5.6.4 INTEGRATED STRATEGY

This strategy combines all the positive features of the three strategies and is designed to achieve the goal of growth, welfare, community participation and equity. This programme includes a very comprehensive, but integrated, view of the basic problems of poverty, unemployment and inequality. The main aim of this strategy is to enhance the capability of the community to involve themselves in
developmental works in partnership with the Government. A number of anti-poverty programmes were launched in the country in the 1970s under this strategy prominent among them are (a) The Integrated Rural Development Programme, National Rural Employment Programme and (c) Training of Rural Youth for Self Employment.

5.7 PLAN-WISE RURAL DEVELOPMENT POLICIES

5.7.1 RURAL DEVELOPMENT POLICY FOR FIRST FIVE YEAR PLAN

According to the First Five Year Plan (1951-56), the central objective of planning was the creation of conditions in which living standards were reasonably high and everybody got full and equal opportunity for growth and justice. In 1952, Government of India constituted the Grow More Food Inquiry Committee under the Chairmanship of Sir, V.T.Krishnamachary to evaluate the campaign. The Committee made a number of recommendations on the campaign. One of the recommendations was that an extension agency should be set up for rural work which would enrich every farmer and assist in the coordinated development of rural life. This gave rise to India's community programme.

Two basic promises were fundamental to India's decision to create the National Community Development Programme in 1952.

i. The overall development of the rural community can be brought about only with effective participation
of the people, backed by the coordination of technical and other services necessary for securing the best from such initiative and self-help. It was to provide the necessary institutional structure and services that early attention was given to the development of basic democratic village institutions - especially Panchayati Raj, Co-operative and village schools.

ii. The problems of rural development have to be viewed from a wholistic perspective and the efforts to solve them have to be multi-faceted.¹⁵

The policy objectives of community development programme launched in 1952 were as under:-

To combine the efforts by which the efforts of the people themselves are combined with those of Governmental authorities to improve economic, social and cultural condition of the communities to integrate them into the life of the nation, and to enable them to contribute fully to national progress.¹⁶

The effort was to be made to raise the standard of living, promoting social welfare, social justice, a co-operative way of life, community-cohesion, and building up the democratic organisation and institutions of the people.

The basic idea of Community Development Programme was to transform the social and economic life and outlook of the
rural people, raise farm production and increase and create from stagnant backward villages, a vital progressive rural community. It proposed to do all this, not by coercion but by the willing co-operation of the people themselves.\textsuperscript{17}

This programme was based on the understanding that the advancement of India's millions of people in the villages is imperative for the nation's social, political, and economic development. It was felt that if these people were apathetic or pathetically content" with poverty, it was because they were given little opportunity to participate in programmes for their improvement.

5.7.2 RURAL DEVELOPMENT POLICIES DURING THE SECOND FIVE YEAR PLAN

In the First Five Year Plan, Community Development was conceived of as method, and rural extension as the agency through which the process of transformation of the social and economic life of villages was to be initiated.

Once the impulse has been given and the first stage of journey covered, a programme of community development and national extension grows out of its own experience and momentum. As it expands, it meets old needs and creates new ones. New methods are discovered, deficiencies long ignored come to be recognised, and in content and in the manner of its functioning the programme may succeed in solving the urgent problems of the community. Gradually, the problems
of the village are seen in a larger context and activities in different fields are undertaken to supplement one another. National extension and community projects provide the setting in which the national plan approaches the needs and aspirations of the country-side. It was natural, therefore, that the Second Plan reflected increasingly the changes in emphasis, priority and general outlook which guide over all planning. 18

The policies of the Second Five Year Plan aimed at:

(i) An increase of 5 per cent every year in the national income.

(ii) Provision of employment to about 10 million persons.

(iii) Rapid industrialization with emphasis on the production of iron and steel and development of basic and heavy industries, and on their coordination with a planned expansion of large scale consumer goods and cottage and small scale industries;

(iv) Reduction of inequalities in income and wealth and a more even distribution of economic pattern of society.

The basic strategy of the Second Five Year Plan was an emphasis on the development of basic and heavy industries.
Although this Plan was a continuation of the First Plan, yet the priority shifted from agriculture and rural development to industry, and especially heavy industries. Transport was also given importance. The First Five Year Plan laid main emphasis on agriculture, irrigation and power and it allocated nearly 43 per cent of the total outlay to these three items. In sheer contrast to this, the emphasis in the Second Plan was on the development of industry which accounted for 18.2 per cent of the total outlay.

There is no doubt that in the ten years covered by the First and Second Five-Year Plans, the economy gained considerable strength, the industrial base broadened and there was a large and growing class of skilled technicians and industrial Managers. On the other hand, a disgusting trend became apparent. There had been a persistent upward trend in prices during the Second Five Year Plan period, though part of the rise was a corrective to an earlier decline.

5.7.3 RURAL DEVELOPMENT POLICY DURING THIRD FIVE YEAR PLAN

The Plan report observes that, as a result of progress achieved during the First and Second Five Year Plans, the foundations for rapid economic growth had been laid. India's economy was now much larger in size and in the range of its operations and had become both more dynamic and more complex. The Third Five Year Plan (1962-67) represented a critical stage in the fulfilment of India's social and
economic objectives. Taking into account the experience of First two plans, the principal policy objectives of the Third Five Year Plan were laid down as follows:-

(i) "To achieve self-sufficiency in foodgrains and increase agricultural production to meet the requirements of industrial growth and exports;

(ii) To secure a rise in national income of 5 and 6 per cent per annum. The pattern of investment being so designed as to sustain this rate of growth during subsequent Plan Periods;

(iii) To expand basic industries like steel, chemical, fuel and power, and establish machine building capacity so that the requirements of further industrialization would be met within this period of ten years or so mainly from the country's resources;

(iv) To utilise to the fullest possible extent the man power resources of the country and ensure a substantial expansion in employment opportunities; and

(v) To bring about progressively greater equality of opportunity and to reduce disparities in income and wealth and a more even distribution of economic powers.
The establishment of democratic institutions at the District and Block levels and the role assigned to the Gram and Block Sabha and the Village Panchayat constituted fundamental and farreaching changes in the structure of District Administration and in the pattern of rural development. Efforts were directed towards ensuring growth and working of Panchayat Institutions so as to enable them to realise their maximum development potential on the basis of local man-power and other resources, cooperative self-help and community efforts and effective use of the available resources.

Plan, adopted intensive area approach for quick generation of agricultural surpluses. In the subsequent Plans, while priority was given to agriculture, was stressed, agricultural programmes came to be conceived in the comprehensive sense of rural development, including rural electrification, fuller utilization of irrigation potential, transport and marketing facilities, provision of material inputs and supporting services, like credit, extension, education and research.

In the Third Plan; a number of rural development programmes were started, i.e. Applied Nutrition Programme, Rural Industries Projects; Intensive Agricultural Area Programme, high yielding Variety Programme etc.
5.7.4 RURAL DEVELOPMENT POLICY DURING FOURTH FIVE YEAR PLAN

The Fourth Five Year Plan (1969-74) reaffirmed the objectives enunciated in the earlier Plans. It includes special-based and area based programmes which would help in the attainment of economic self-reliance, adequate growth rate, and accelerate the progress towards a socialistic pattern of society. The basic goal was a rapid increase in the standard of living of the people, through measures that also promoted equality and social justice. It was presumed that planning should result in greater equality in income and wealth. There should be progressive reduction of concentration of income, wealth and economic powers, and that benefits of development should accrue more and more to the relatively less privileged classes of society, particularly, the Scheduled Castes and the Scheduled Tribes whose economic and educational interests have to be promoted with special care.

From Fourth Plan onwards the problems of small and marginal farmers and drought-prone areas have received special attention: beneficiary-oriented and area specific developmental programmes were implemented. The main policy objectives of the Fourth Five Year Plan are given as under:

(i) Increase in national income at a rate of 5.5 per annum;
(ii) Reduction in concentration of wealth, income and economic power.
(iii) Improvement in the condition of common man, weaker section, less privileged people and backward regions;

(iv) Maintenance of conditions of stability and reduced uncertainties;

(v) Creating more employment opportunities in rural and urban areas on an increasing scale and refashioning of institutions.

An important feature of the pattern of financing of the Fourth Plan was to reduce dependence on foreign aid. The Fourth Plan aimed at making substantial progress in the direction of self-reliance. It was envisaged that external assistance, and cost of debt services would be reduced to half by the end of the Plan. Another striking feature of the pattern of financing was the strenuous efforts made by the Centre and States for raising additional resources.

It was proposed to improve the production techniques of small industries, promoting agro-based industry and encouraging decentralization and dispersal of small industries. It was also proposed to enlarge facilities for research, testing, improving designs, development of production techniques and industrial expansion services. This Plan included Drought Prone Area Programme; Crash Scheme for Rural Employment; Small Farmers Development Agency (TADP); Pilot Projects for Tribal Development (PPTD);
Pilot Intensive Rural Employment Programme (PIREP); Minimum Needs Programme (MNP) and Command Area Development Programme (CADP) etc.

5.7.5 RURAL DEVELOPMENT POLICY DURING FIFTH FIVE YEAR PLAN

Removal of poverty and attention of self-reliance were the two major tasks which the country had set to accomplish in the Fifth Five Year Plan. As necessary corollaries, they required higher growth, better distribution of income and very significant step up in the rate of domestic saving. The chief aim under the Fifth Plan is the introduction of the concept of basic minimum needs. It is recognised that rural development should include agricultural development in its widest sense so as to embrace, besides crop production, all its allied activities. This integrated development should encompass both spatial and functional integration of all relevant programmes bearing on increased agricultural production and reduction of unemployment and under employment among small farmers and agricultural labour.

Minimum Needs Programme (MNP) was taken up on a massive scale during the Fifth Plan. These programmes covered a large number of developmental activities spread over a wide area.

The aim was towards all sound development, and, not confined to increasing production alone. the plan aimed at the people's participation in developmental programmes,
credibility and viability at the Community Development Agency and Panchayati Raj Institutions if they have to play an effective role as instruments of change, and raising among the rural people the desire for a better living.  

The main element of the strategy evolved in the Fifth Plan for the achievement of its two basic objectives of (a) Removal of Poverty, and (b) Attainment of Economic self reliance, were as follows:

(i) Increase in overall rate of growth at a rate of 5.5 per cent of gross domestic production;

(ii) an expansion of productive employment opportunities;

(iii) a National Programme of minimum needs covering elementary education, drinking water, medical care in rural areas, nutrition, house-sites for landless labourers, rural roads, electrification and slum improvement and clearance;

(iv) extended programmes of social welfare;

(v) emphasis on agriculture, key and basic industries and industries producing goods for mass consumption;

(vi) an adequate public procurement and distribution system;

(vii) vigorous export promotion and import substitution;
(viii) an equitable price-wage-income policy, and
(ix) institutional fiscal and other measures for reduction of social, economic and regional inequalities.

The rate at which different sectors would grow to attain an overall rate of growth of 5.5 per cent reflects the pattern of growth during the Five Year Plan Period. The different rates at which different sectors had been projected to grow, showed a structural change in the composition of gross domestic products. In this connection, the Planning Commission observed that, "the rate at which different sectors must grow consistently to attain a specific aggregate rate of growth, depends, to a large extent, on the technological and behavioural characteristics of the economy, including its success to trading opportunities with the rest of the world. In working out the model for the Fifth Plan, the technological characteristics of the economy as reflected in the inter-industry relationship, had been taken into account.

Under this policy the special programmes for rural development were started, such as Hill Area Development Programme (HADP); Special Live-stock Production Programme (SLPP); Food for Work Programme (FFWP); Desert Development Programme (DDP); Whole Village Development Programme (WVDP); Training Rural Youth for Self-employment (TRYSEM) and Integrated Rural Development (IRDP).
The major thrust of the Sixth Five Year Plan (1980-85) was on strengthening the socio-economic infrastructures of development in rural areas, alleviating rural poverty and reducing regional disparities. Major policy objectives of the Sixth Five Year plan, are given as under:

(i) A significant step up in the rate of growth of the economy and promotion of efficiency in the use of resources and improved productivity;

(ii) Improving the quality of life of the people in general with special reference to the economically and socially handicapped population, through a minimum needs programme whose coverage was so designed as to ensure that all parts of the country attained, within the prescribed period relatively accepted standards;

(iii) strengthening public policies and services in favour of the poor and contributing to a reduction in inequalities of income and wealth;

(iv) a progressive reduction in regional inequalities in the pace of development and the diffusion of technological benefits;
The policy adopted for the Sixth Five Year Plan consists:-

(i) essentially in moving simultaneously to strengthen the infrastructure for both agriculture and industry so as to create conditions for an accelerated growth in investment, output and exports, and

(ii) to provide through special programmes designed for the purpose, increased opportunities for employment, especially in rural areas and the unorganised sector and meet the minimum basic needs of the people. Stress was laid on dealing with inter-related problems, through a system approach rather than in separate

(v) Promoting policies for controlling the growth of population through voluntary acceptance of the small family norms;

(vi) Promoting the active involvement of all sections of the people in the process of development through appropriate education, communication and institutional strategies; and

(vii) To bring about harmony between the short and long term goals of development by promoting the protection and improvement of ecological and environmental assets.
(iii) a greater managerial efficiency and intensive monitoring in all sectors;

(iv) active involvement of the people in formulating specific schemes of development at a local level; and

(v) in securing their speedy and effective implementation.

5.7.7 RURAL DEVELOPMENT POLICY DURING SEVENTH FIVE YEAR PLAN

The main thrust of the Seventh Five Year Plan (1985-90) was a direct attack on the problems of poverty, unemployment and regional imbalances. These improvements were to be achieved by extending development of resources and better project implementation by cutting down cost in the industrial sector. The policy sought to emphasize on schemes and programs which would accelerate the growth in foodgrains production, increase in employment opportunities and increase in productivity. This was to be achieved by extending new agricultural techniques to low productivity regions and through the expansion of primary education and basic health facilities. The strategy paid attention to increasing the production of foodgrains, edible oils, sugar, textiles, cooking fuel, and such other items of mass consumption.

The industrial policy was aimed at ensuring the
utilization of public sector expertise to design, engineer, erect, commission and operate large scale enterprises in the public sector. Village and small scale industries will continue to be an important element in the national development strategy, particularly because of its very favourable capital output ratio and high employment intensity.

A major quest of this plan was the expansion of education, health care, water supply and sanitation. Special attention was paid to raising the quality of education and health care service for general development.

5.7.8 RURAL DEVELOPMENT POLICY DURING EIGHTH FIVE YEAR PLAN

The basic aim of the Eighth Five Year Plan (1992-97) was to ensure that the minimum needs of common people and the quality of their life became the central focus of planning even as the policy of this Plan sought to promote overall rapid development and diversification of the economy and strengthen the infrastructural base.

The main policy objectives of this Plan are given as under:-

(i) Clear privatisation of sectors/projects for intensive investment to facilitate operationalisation and implementation of the policy initiative taken in the areas of fiscal trade, industrial sector and human development;
(ii) Making available the resources for these priority sectors and to ensure their effective utilization;

(iii) Creation of appropriate organisation's and delivery systems to ensure that the benefits of development reach the beneficiaries. People's participation was made a key element in the process of development.

A major role in the programmes would be population control, employment generation and provision of minimum needs of health care, literacy, drinking water, rural roads and rural energy.

An attempt has also been made to ensure development in the field of energy, transport, communication, employment generation, population control, literacy, health care including drinking water, rural electrification etc.

In the field of agriculture development, more emphasis was, laid on irrigation, including intensive use of watershed, management concept in rainfed/ drought prone areas, and export promotion of agricultural products, diversification of agriculture to horticulture, water management and waste land development.

Even after successful implementation of these approaches, there still remained 196 million persons living below the poverty line in rural areas, constituting 33.4%
of the rural population.

During field surveys some specific questions were asked from beneficiaries, political leaders and officers regarding the policy formulation. The related data have been arranged in Table 4.1 which show that 64 per cent beneficiaries in Mandi District and 66.2 per cent in Shimla District are of the opinion that the top level planners and policy-makers were not well informed about the local felt needs and rural problems. It was also pointed out by the officers and leaders during the discussion that the Schemes for the target groups were generally not prepared after proper identification. These are listed out in consultation with the concerned village and Gram Panchyat Vikas Adhikaris (Village Co-ordinator). According to this list the benefits were to be distributed under the different programmes. Likewise the fruits of benefits are not reaching those who are below the povertyline. There is no clear cut policy provisions and guidelines in the light of which proper identification could be made.

5.8 SUMMING UP

It was also observed during the survey that various approaches and strategies have a number of defects. The major defects are as under:-

(i) The Agriculture sector was given more emphasis in the rural development policy. This policy
ignored other sections of the village community, who have been mainly depending on village industries and services supporting traditional agriculture.

(ii) It was also found during the study that the existing rural industries and the artisans depending on them have not been taken into consideration, while setting up modern industries (village or small scale industries). This created problems for traditional skills, traditional product and their marketing facilities. There had to be a clear cut policy provision to adjust rural artisans in modern industries. Consequently, the poor are became poorer day by day.

(iv) One of the major lacunae of the policy lies in the fact and the structural inequalities existing at various levels of rural population, have not been considered while implementing programmes involving new production tools and techniques. The beneficiary - oriented schemes and the area based schemes are oftenly found to be diametrically opposed. The beneficiary-oriented schemes are formulated without considering the "potentiality of the area and scope for future development of difficult sectors. This is going on in the absence of clear-cut policy provisions
and guidelines.

(v) Infrastructure facilities are pre-requisites for the implementation of certain beneficiary-oriented schemes. The schemes of special programmes do not have proper linkage with the infrastructure content of the normal programme.

The new strategy involves more than a dozen departments and scores of other agencies. Coordination among them has become a major problem. At this stage, it is not easy to eliminate multiple agencies. Therefore, coordination has to be ensured at each and every stage. Coordination is also needed in assessment of priority items as per local felt needs and potential resources etc. Beyond any shadow of doubt, local Government is a State subject but that does not debar the Central Government from acting as guide, supervisor and director in this regard. Likewise, without proper coordination at the apex, decentralization and delegation of powers at lower levels cannot be very effective.

Keeping in view the experiences gained in the past, the next step in rural development should be a clear cut policy framework for a single programme and single plan at the block level. Adhering to the concept of integrated area planning, this plan has got to be formulated after due consideration to the locality and on the specific needs of the people to be met under a time-bound schemes.
5. Govt. of India. 1961: Community Development Programmes: An Anthology. New Delhi: Department of Rural Development. p. 5.
12. Ibid., p. 72.


18. Ibid., pp. 235-36.


21. Ibid., p. 86.