

EXECUTIVE SUMMARY

Poverty alleviation has been the basic goal of our plans since the beginning of the plan era. Earlier the plan models had visualized that the Trickle Down Effect would result in higher income opportunities for the poor sector and significant dent on the incidence of poverty. A distinct change in the strategy of poverty alleviation was visualized since later part of 1970s. Instead of relying on growth to percolate, efforts were initiated to directly attack the problem of poverty by endowing the poor with productive asset/skill to employ themselves to earn larger income. Policy initiatives were also taken to create additional opportunities for wage employment essentially as a supplement to fill the gaps of unemployment in the lean seasons. A number of poverty alleviation measures were introduced in the 6th five year plan and the subsequent plans followed suit.

The report based on sample survey of 752 beneficiaries from poverty alleviation programmes of North Bihar, Central Bihar and Jharkhand has evaluated the efficacy of poverty alleviation programmes.

The overview and methodology of the study have been presented in the introductory chapter. The chapter has also assessed the socio-economic condition of the beneficiaries with the help of different poverty indices. Chapter-2 has evaluated the efficacy of the programmes of self employment including IRDP (now SGSY), TRYSEM and DWCRA. Chapter -3 has evaluated the efficacy of wage employment programmes - JRY and EAS. Chapter -4 deals with the Indira Awaas Yojna (IAY). Chapter - 5 focusses on National Social Assistance Programmes including NOAPS, NFBS and NMBS. A broad conclusion and policy recommendation of the study have been presented in Chapter-6.

The study has confirmed that the poverty alleviation programmes have not made any significant dent on the problem of poverty. Poverty of poverty alleviation programmes jointly with anti development institutional framework have successfully kept the poverty intact. The abject poverty is prevalent over the system in tune with the global counterparts with the following characteristics :

1. Lack of income and assets to attain basic necessities - food, shelter, clothing and acceptable level of health and education.
2. Sense of voicelessness and powerlessness in the institutions of state and society.
3. Vulnerability to adverse shocks, linked to an inability to cope with them.

Broad Findings :

- (i) 24.0% beneficiaries of poverty alleviation programmes have income above poverty line, despite that they have taken the benefit of the schemes through their manipulating skills.
- (ii) A large proportion of beneficiaries are in the upper income-slab below poverty line in all the survey zones and schemes. Sen-Index has confirmed it in case of the zones and the schemes earlier.
- (iii) Poverty alleviation schemes have been implemented only on paper to misutilise the resources in significant proportion.
- (iv) All the poverty alleviation schemes in all the zones have been deeply influenced by payment of speed money. In other words, the payment of speed money has been an essential condition for getting the benefit of anti-poverty schemes with few exceptions.
- (v) Neither the authorities nor the beneficiaries have taken the schemes in their true spirit. The authorities have taken it as a source of additional resource mobilisation for their own and subject to complete mere formalities. The beneficiaries have taken the assistance as a subsidy without any serious thought on the purpose of the assistance and the possibilities.

- (vi) No system could be evolved for mass awareness about the poverty alleviation schemes. The amount received under the scheme have been siphoned off in collaboration with the concerned authorities and the local power brokers/middlemen due to unawareness of the common masses.
Poverty alleviation schemes have been implemented in the form of distribution of alms without any serious consideration to generate viable income or service.
- (vii) Procedural delay/bureaucratic red-tapism has been a common feature in execution of poverty alleviation programmes.
- (viii) NGOs and PRIs have played no role in the implementation of poverty alleviation schemes. PRIs have been completely defunct in the state as no election was held in between 1978 and 2000.

Schemes for direct attack on poverty were introduced to supplement/complement the mainstream of development effort under the **trickle-down hypothesis**. Slow rate of growth of the economy along with maintained population growth rate had necessitated to go for direct attack on poverty. But the empirical evaluation of the poverty alleviation programmes, i.e., direct attack on poverty reveals that the significant proportion of the schemes had been misutilised in the name of poverty alleviation. Abject poverty has been considered as a good politics and scarce resources were wasted mercilessly without reaching the poor.

Policy Recommendations :

Poverty cannot be alleviated in a fragmented cartesian manner. A holistic approach is required to break the Neo vicious circle of poverty. Half-hearted, faltering and piece-meal efforts may be a good politics but a bad economics. In this background the following recommendations are propounded for a structural transformation of the system :

- (i) Schemes must have viable income generating potentials. Without consideration of viable income, no scheme should be undertaken to misuse the scarce resources.
- (ii) Transparent and time-bound implementation procedure should be evolved and tendency of concerned authorities and power brokers to siphon off the funds of the schemes should be effectively curbed.
- (iii) Without raising the honest and efficient administrative level no qualitative break would be possible in the system. A viable policy for the metamorphosis of the economic administration should be evolved.
- (iv) Resources should be allocated for primary education specially for job-oriented education which would generate maximum total linkage effect in the system.
- (v) Health facilities should be improved and special attention should be given on family based welfare measure to reduce the population pressure.
- (vi) NGOs should be assigned dynamic role in the process of poverty alleviation specially in the field of mass education and mass awareness.
- (vii) Effective decentralized system should be strengthened by making the Panchayati Raj Institutions (PRIs) functional.
- (viii) Pragmatic decision should be taken to salvage the system from the traps of Crime-Syndicates functioning in perfect nexus with bureaucracy, policy, politicians and mafias to siphon off any type of resources with chickenery methods.
- (ix) Lastly, the recommendation of the Independent South Asian Commission on Poverty Alleviation should be implemented in the form of Sociogram to break the Neo Vicious Circle of Poverty (i.e. Vicious Circle of Poverty under institutional framework) and initiate the virtuous circle of development.