

How Far Can Poverty Alleviation Programmes Go? Assessment of PAPs In Gujarat

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Chapter One

Introduction

Gujarat Economy :

Gujarat state is one of the prosperous states of India with more than 50 million population (2001) spread over 196,000 sq.km. Though the state has about 5 percent of the national population, it has 6.5 percent of the national production and more than 12 percent of the national industrial output. The enterprising population of Gujarat, supported by its progressive leadership has brought the state in the forefront of economic development in the country. The state has not only acquired and maintained its fourth rank in per capita NSDP but it has also taken a quantum jump in the post-liberalization period by attracting almost the highest industrial investments, particularly in the large and medium industry sector and experienced the highest growth in per capita NSDP during this period (Hirway 1999). In the process, the economy of Gujarat has achieved a relatively highly diversified economic structure. The state economy has almost always grown at a faster rate than the Indian economy (Table 1). The secondary and tertiary sectors in the state have shown a consistently rising rates of growth through the 1960s to the 1990s, with the two sectoral growth rates reaching, respectively, 12.83 percent and 8.73 percent in the nineties. Gujarat has highly diversified sources of income with about 78 percent of the SDP in Gujarat comes from non-primary sectors against 60 percent of the national economy. Similarly, and a relatively well diversified workforce with more than 40 percent of the work force employed in non-primary sectors against 32.6 percent of the all India workforce. Gujarat is also a relatively urbanized state (37 percent of the state population lives in urban areas as per the 2001 Census) in India. The money and capital markets in the state are well developed allowing for a relatively easy access to finances to its enterprising population.

The compound annual rate of growth of the economy in the nineties, i.e. from 1990-91 to 1997-98, has been 8.99 percent, with the state per capita rate of growth of SDP being 6 percent, the highest among the major states in India. Though there has been some deceleration in the late nineties, the state seems to have done very well in terms of accessing the benefits of the new economic environment.

Table 1.1. Sectoral Growth Rates Based on Constant Price (1980-81) in Gujarat (CARG)

	1960-61 to 1970-71	1970-71 to 1980-81	1980-81 to 1990- 91	1990-91 to 1997- 98	1980-81 to 1997- 98
Primary Sector (Agriculture)	2.91 (2.27)	4.15 (4.22)	-1.15 (-0.81)	3.46 (3.91)	1.42 (1.34)
Secondary Sector (Manufacturing)	3.62 (3.04)	5.64 (5.55)	7.89 (8.59)	12.83 (13.99)	8.87 (9.19)
Tertiary Sector	3.51	5.86	7.44	8.73	7.25
Overall SDP	3.32	4.95	4.88	8.99	6.00
India GDP	3.17	3.66	5.42	5.07	5.44

Source: (a) EPW Research Foundation (1998) (b) Directorate of Economics & Statistics (1999)

In spite of these achievements, however, the state economy suffers from certain weaknesses, such as, low long term rate of growth in agriculture with wide year to year fluctuations in agricultural production and incomes, relatively low human development in the areas of health, education and human welfare, severe depletion and degradation of natural resources, and wide and widening regional disparities.

As shown in Table 1, agriculture and the primary sector has considerably lagged behind since the 1980s. In fact, the annual rates of growth of agriculture as well as the primary sector were –0.81 percent and –1.15 percent respectively in the eighties. Though there was some improvement in the early nineties, the last years of the nineties witnessed severe droughts resulting in almost stagnancy in agricultural growth during the nineties. This has an adverse impact on the incomes of small/marginal farmers and agricultural labourers. Similarly environmental degradation has increased the intensity of droughts affecting adversely the incomes and welfare of people living in drought prone areas. Poor performance of agriculture and frequent droughts have affected adversely the nutrition, health and educational status of the poor in the state (Hirway and Mahadevia, 1999).

Rural Poverty in Gujarat:

Poverty is defined as “multidimensional deprivation” or “unacceptable deprivation” of the poor. This can be broadly divided into (a) deprivation of a minimum level of income and consumption expenditure (i.e. income poverty), (b) deprivation of basic needs, such as food and nutrition, education, housing, water supply etc., (c) absence of basic capabilities needed for human functioning, or deprivation of basic choices and

opportunities in life (i.e. human poverty) and (d) marginalization and lack of integration of the poor with the mainstream of development (i.e. isolation, vulnerability and social exclusion). Though all the dimensions of poverty are important, the present study focuses mainly on income poverty, and studies poverty alleviation programmes that primarily address income poverty and related deprivations. This is because the lack of access to minimum income/consumption expenditure is an important dimension of poverty as it reflects largely a lack of control of the poor over the resources that are necessary to access a minimum level of well being.

According to the official data (Planning Commission), the incidence of rural poverty declined from 46.35 percent in 1973-74 to 29.80 percent in 1983 and to 22.18 percent in 1993-94. This more than 52 percent decline in the incidence gives the state the fourth rank in terms of the decline in rural poverty among the 16 major states in India (Hirway and Mahendra Dev 2001). The highest decline (67.11 percent) was experienced by Andhra Pradesh, followed by Punjab (57.64 percent) and Kerala (56.48 percent) during the same period. Though the latest data (1999-2000) on poverty are not comparable with the earlier data, they indicate 13.17 percent incidence of poverty in rural Gujarat. However, the state stands 5th among the major points in rural poverty, with Punjab at the top (6.35 percent) followed by Haryana (8.27 percent), Kerala (9.38 percent) and Andhra Pradesh (11.05 percent).

Table 1.2. Poverty in Gujarat

Year	Number in Lakhs			% to Total Population		
	Rural	Urban	Total	Rural	Urban	Total
1972-73	94.61	41.09	135.70	46.35	49.31	47.21
1977-78	92.53	41.33	133.86	41.76	43.13	42.17
1983	73.49	47.26	120.75	29.8	40.63	33.27
1987-88	75.95	52.63	128.58	28.67	39.63	32.33
1993-94	62.16	41.77	103.93	22.18	27.07	23.92
1999-00	38.87	24.80	61.66	12.20	13.76	12.78

Source: Planning Commission (1997)

At present there are about 61-66 lakh poor in the state, 38.87 lakhs in rural areas and 24.80 lakhs in urban areas. Though there are data underestimate poverty and therefore are not fully acceptable, they indicate that 12.20 percent of the rural population in Gujarat lives in poverty. The state has been divided into five regions by the NSSO, namely, Gujarat Eastern, Northern Plains, Southern Plains, Gujarat Dry and Saurashtra. The table 3 presents regionwise data on poverty. It shows that –

1. Though the incidence of rural poverty is lower than the same of urban poverty, the regional variations in the incidence of rural poverty is

much larger. The lowest incidence of rural poverty is in Saurashtra (10.03 percent) and the highest in Gujarat Eastern, the tribal region (24.12 percent), which is almost two and half times higher than the lowest incidence. The lowest incidence of rural poverty in Saurashtra and Kachchh seems to be due to its relatively low population density, high agricultural wages (due to the cash crops) and its “money order economy”, i.e. incomes received from migrant workers from distant urban centres like Surat, Ahmedabad, Bombay etc. and foreign countries like Africa, America, Europe, Australia etc.

2. The poorest region is the Eastern Tribal Belt, followed by Southern Plains (23.51) and Gujarat Dry Region. The last two regions are poor primarily because of the low wages (thanks to predominant migration of tribals in Southern Plains) and the drought proneness (Gujarat Dry Regions). The tribal belt is less developed and has poor employment avenues.

Table 1.3 NSS Region-wise Incidence of Poverty

NSS Region		Incidence of Poverty (%)*	
		1987-88	1993-94
	TOTAL		
1	Gujarat Eastern	34.49	25.06
2	Northern Plains	29.03	24.58
3	Southern Plains	25.85	22.45
4	Gujarat Dry Regions	40.20	23.30
5	Saurashtra	28.18	18.80
	RURAL		

Table 1.3 NSS Region-wise Incidence of Poverty Continued

NSS Region		Incidence of Poverty (%)*	
		1987-88	1993-94
1	Gujarat Eastern	34.19	24.12
2	Northern Plains	25.87	20.52
3	Southern Plains	22.85	23.51
4	Gujarat Dry Regions	46.95	22.52
5	Saurashtra	18.95	10.03
	URBAN		
1	Gujarat Eastern	39.32	34.33
2	Northern Plains	34.23	30.05
3	Southern Plains	30.89	20.89
4	Gujarat Dry Regions	53.88	27.03
5	Saurashtra	53.77	34.04

* EOPL estimate taken, which are based on the Expert Group's methodology.

According to the BPL Survey (2001), the poor belonging to the scheduled tribes constitute 37.10 percent of the total rural poor in the state, as against their 14.9 percent share in the total population. Also, the poor belonging to the scheduled castes constitute 10.2 percent of the total rural poor as against their 7.4 percent share in the total population. That is, the poor belonging to the scheduled tribes and castes together constitute a little less than half of the poor in the state (Table 4)!

As regards the occupational groups, as the table shows, half of the poor (51.9 percent) are rural labour, about 28 percent are marginal farmers, 13 percent are small farmers and 3.8 percent are rural artisans. That is, about 80 percent of the rural poor households in Gujarat are either rural labour households or marginal farmer households. Of the rest about 16.6 percent are small farmers and artisans.

One can therefore observe that the scheduled tribe families engaged in rural labour are among the poorest in the state, and in general, the families belonging to SC/ST groups and to rural labour and marginal farmers occupations constitute the chunk of the rural poor.

In short, rural poverty in Gujarat is concentrated mainly in certain socio-economic groups spread over almost all the regions of the state through their relative concentration is in the tribal belt and other environmentally degraded regions. The least poor Saurashtra and Kachchh where the percentage share of tribal population is negligible, is the only region that has the lowest share of the poor in the state.

Poverty alleviation programmes have been designed mainly to alleviate poverty of these socio-economic groups and regions. These programmes have been implemented in the state for more than two decades now. It will be useful to examine the long term impact of these programmes in order to see whether these programmes are worth continuing in the coming years or not. The present study attempts to undertake this task.

Table 1.4 Rural Poverty in Gujarat (BPL Survey, 1-4- 2000)

Districts	No. of R FLY	No. of BPL FLY	% of BLP FLY	Rank	Out of BPL Families													
					No. of SC FLY	% of SC SC FLY	No. of ST FLY	% of ST ST FLY	No. of SF	% of SF	No. OF MF	% of MF	No. of Ru. Artisans	% of Ru. Artisans	No. of AL	% of AL	No. of others	% of others
Ahmedabad	297533	78722	26.46	4	16506	20.97	1756	2.23	4483	5.69	4745	6.03	3071	3.90	60896	77.4	5527	7.02
Amreli	187694	50761	27.04	5	8836	17.41	54	0.11	4878	9.61	4552	8.97	4920	9.69	33057	65.1	3354	6.61
Kachchh	221577	73225	33.05	10	13500	18.44	13045	17.81	6027	8.23	3724	5.09	2916	3.98	60558	82.7	0	0.00
Kheda	298090	108586	36.43	13	11857	10.92	2640	2.43	5959	5.49	31935	29.4	1973	1.82	67344	62	1375	1.27
Anand	249789	73641	29.48	6	8365	11.36	558	0.76	362	0.49	13000	17.7	1380	1.87	56410	76.6	2489	3.38
Gandhinagar	160989	35457	22.02	2	2670	7.53	50	0.14	4461	12.6	6742	19	524	1.48	18362	51.8	5368	15.14
Jamnagar	176352	79671	45.18	17	14150	17.76	894	1.12	8681	10.9	14357	18	4533	5.69	35786	44.9	16314	20.48
Junagadh	301774	75819	25.12	3	17895	23.60	894	1.18	9659	12.7	6999	9.23	3451	4.55	52014	68.6	3696	4.87
Porbandar	59344	17581	29.63	7	4309	24.51	539	3.07	2581	14.7	1430	8.13	632	3.59	11747	66.8	1191	6.77
Dang	39092	33968	86.89	25	123	0.36	33541	98.74	8666	25.5	15887	46.8	363	1.07	7730	22.8	1322	3.89
Panchmahal	318224	222493	69.92	22	12051	5.42	72052	32.38	44770	20.1	127329	57.2	10685	4.80	35646	16	4063	1.83
Dahod	238770	192920	80.80	23	3895	2.02	151069	78.31	53361	27.7	122031	63.3	6599	3.42	10929	5.67	0	0.00
Banaskantha	399061	135615	33.98	11	25801	19.03	19535	14.40	24765	18.3	38519	28.4	4994	3.68	65298	48.1	2039	1.50
Bharuch	214410	109593	51.11	20	6435	5.87	66413	60.60	9037	8.25	15736	14.4	2131	1.94	81044	73.9	1645	1.50
Narmada	88908	73494	82.66	24	1241	1.69	58077	79.02	8895	12.1	13681	18.6	1675	2.28	46655	63.5	2588	3.52
Bhavnagar	243917	72444	29.70	8	10308	14.23	70	0.10	3935	5.43	2852	3.94	4531	6.25	55960	77.2	5166	7.13
Mehsana	237722	46519	19.57	1	8043	17.29	0	0.00	2024	4.35	8038	17.3	1453	3.12	34996	75.2	8	0.02
Patan	163562	56228	34.38	12	9100	16.18	483	0.86	3299	5.87	10931	19.4	1862	3.31	39876	70.9	260	0.46
Rajkot	259770	78376	30.17	9	16268	20.76	1	0.00	3803	4.85	16596	21.2	4121	5.26	48947	62.5	4909	6.26
Vadodara	346978	132053	38.06	15	6655	5.04	75364	57.07	22955	17.4	31050	23.5	2235	1.69	73845	55.9	1968	1.49
Valsad	158898	85269	53.66	21	1351	1.58	78564	92.14	8549	10	28170	33	2281	2.68	43218	50.7	3051	3.58
Navsari	149096	75512	50.65	19	1076	1.42	63617	84.25	3590	4.75	21899	29	2829	3.75	45885	60.8	1309	1.73
Sabarkantha	334890	146455	43.73	16	13908	9.50	43408	29.64	34382	23.5	66550	45.4	4791	3.27	38955	26.6	1777	1.21
Surat	406044	195761	48.21	18	3707	1.89	178025	90.94	16563	8.46	36942	18.9	10609	5.42	127485	65.1	4162	2.13
Surendranagar	214524	79215	36.93	14	19442	24.54	3454	4.36	3470	4.38	6546	8.26	4949	6.25	56315	71.1	7935	10.02
Total State	5767008	2329378	1064.83		237492	10.20	864103	37.10	299155	12.84	650241	27.91	89508	3.84	1208958	51.90	81516	3.50
%		40.39																

Source: Department of Rural Development, Government of Gujarat

Critical Issues in PAPs

The poverty alleviation programmes covered under the study are (a) self employment programmes that promote self employment of the poor through asset distribution (loan + subsidy), skill training and infrastructural support for credit, marketing etc., (b) wage employment programmes that provide wage employment opportunities, mainly of unskilled type, (c) programmes of infrastructure development promoting physical infrastructure for health, nutrition, water supply, education, housing etc, (d) special area programmes of natural resource management and (e) social protection programmes like old age pension, group insurance schemes etc. These programmes have been evaluated by a large number of official agencies, universities and research organizations, global bodies, NGOs and others. Such studies have also been reviewed collectively by Task Forces, Study Groups, Expert Groups etc. also to draw lessons for strengthening these programmes. Using this vast literature one can list some critical issues with regard to poverty alleviation programmes. But before we do that, let us describe the impact of these programmes, as per the available data and literature.

Impact of PAPs: The overall picture about the impact of poverty alleviation programmes in terms of sustainable eradication of poverty has not been very positive. These programmes are not rated as very successful programmes as far as their long term impact is concerned.

As far as the **Self Employment Programmes** are concerned, the available studies show that –

- The short term impact of these programmes in terms of generating incremental income and additional employment has been somewhat positive. Some large scale studies have shown that about 40 percent to 80 percent beneficiaries depending on the region, the type of the poor and the schemes, have experienced incremental incomes after taking up self employment programmes. About 40-50 percent of these households paid installments on regular basis and some of them could go above the poverty line income level. That is, self-employment programmes did help a significant proportion of beneficiaries in the short run. The extent of the success depended on the region (relatively developed regions did better), household characteristics (those near to the poverty line performed better) and the scheme (the selection of the scheme was critical in the success). There were considerable leakages (30 percent – 50 percent) to the non-poor also. The poor at the bottom, particularly in poor regions, however, were frequently left out of these programmes.
- The long term impact of the programmes, however, was much less satisfactory, ranging between 0 percent to 10 percent. This was because the beneficiaries found it difficult to face the competition in the market due

to (a) low level of investment, (b) their poor techno-managerial capabilities, (c) poor access to credit after the first shot of credit, (d) problems in getting raw materials, market etc. and (e) pressing household consumption needs which forced them to sell off the assets. In other words, the impact of these programmes in terms of sustainable eradication of poverty was extremely limited. Many beneficiaries of self-employment programmes were therefore left with debts ultimately. The general environment that discouraged them to repay debts also contributed to this.

- Those who succeeded in self-employment programmes were better off among the poor, particularly living in relatively developed areas and/or were adequately supported by NGOs (though not all NGOs were successful). The relative success of NGOs was observed to be due to their social mobilization, savings and thrift societies (SHG), continuous financial support to beneficiaries, group approach, holistic approach, technical and infrastructural support, responses to local needs and inclusion of social security schemes in their approach.
- Though SGSY tried to incorporate some of these characteristics, some of the recent evaluation studies (including one in Gujarat) showed that the group approach has not helped much in reality. This is largely because (a) the poor are not always inclined to form groups – unless there is a history of social mobilization, (b) it takes a long time for a Self Help Group to become strong enough to undertake economic activities – speed here does not help, (c) micro finance includes much more than finance – technical support, capability building, training in management and accounting, correct identification of economic activities, strong follow up, social insurance schemes etc. SGSY groups were observed to be less than satisfactory in this respect (GIDR 2000).

The available literature on **Wage Employment Programmes** indicates the following:

- These programmes are spread too thinly across regions to make much dent on rural poverty; the only exceptions are those pockets where the size of the programmes is large enough to make an impact.
- The long term impact of these programmes in terms of raising the labour absorbing capacity of the mainstream economy (by increasing the capital stock) leading to a decline in the demand for these programmes has almost not been achieved anywhere. Though some small pockets under the EGS of Maharashtra have observed a decline in the demand for EGS due to increasing employment opportunities in the mainstream achieved through EGS assets, the general experience has been negative in this

respect. In other words, the economic logic of the programmes, namely using surplus manpower for capital formation, does not seem to have worked, with the result that the sustainability of these programmes remains a critical issue.

- In spite of this, however, some studies have observed that wage employment programmes have created durable assets in rural areas. School rooms, health centres, approach road, panchayat office, minor irrigation, community halls are some of the examples of these works – through quality and maintenance of these assets still remain a problem in many cases.
- The planning component of these programmes was observed to be very weak. Panchayat bodies frequently select works on an ad hoc basis, many times to serve the interests of the rich. There are no plans prepared for infrastructural development (not even in JGSY), or for natural resource management so as to enable systematic selection of assets.
- There are many leakages to the non-poor under these programmes. Frequently, limited employment opportunities do not reach the real poor. They do not get the stipulated 20 percent funds for their individual assets, and the wages paid are much lower than the stipulated wages.

The studies on **Rural Housing Programmes** have identified the following as major impacts of the programmes.

- The IAY (Indira Awas Yojana), the major rural housing programme is rated as a relatively successful programmes as it has helped many poor households in acquiring a roof over their head to live with dignity. Though there are leakages to the non poor, the share of the poor/SC-ST households in the beneficiaries is significant, 75 percent – 80 percent (GIDR, 2000).
- Women and female headed households, however, constitute a small percentage of beneficiaries, around 15-20 percent.
- The quality of houses seems to have improved after beneficiary households have been made responsible for managing the construction.
- The corruption, however, is rampant as the beneficiary has to shell out money for getting selected as well as at the time of receiving each installment.

The evaluation studies of **Area Development Programmes**; like **DPAP, DDP and WSD**: clearly indicate an improvement in the performance of these programmes, particularly after the introduction of the WSD strategy, over the decades. The studies show that

- The WSD strategy is far more systematic than the earlier approach of taking up environmental works in an ad hoc and isolated fashion.
- In the short run, WSD programmes do generate significant employment for the members. Since the leakages are less, this employment raises the household incomes of the member households significantly.
- The major problems with working of WSD programmes, however, are observed to be (a) slow progress, (b) technological weaknesses, (c) low capabilities of NGOs in technical and managerial fields and (d) almost exclusion of the poorest landless households.
- It is also observed that these programmes (a) frequently neglect the issue of drinking water, (b) promote too much decentralization without a consistent macro watershed framework, and (c) do not usually perform satisfactorily in taking watershed ahead to its logical consequences to reap maximum long term benefits from the scheme.

The major limitation of **Social Security Schemes**, as per the available studies, is their small coverage and small size of benefits. These schemes therefore have not had any significant impact on poverty at the macro level. There are also problems of leakages and corruption. In short, this strategy has a long way to go in terms of protecting the poor in the events of social insecurity.

It needs to be mentioned, as several studies show, that there are some success stories at the micro level. NGOs have produced several models of successes, which need to be utilized by the state and Central governments. Lessons can also be learnt from Kerala experiences and other state level schemes of Tamil Nadu, Andhra Pradesh and other states.

Critical Issues: The huge literature on poverty alleviation programmes has examined the causes of the less than satisfactory performance of PAPs as described above. These studies have examined the different dimensions of the working of these programmes, such as, targeting under the programmes, planning of the programmes, credit and subsidies to participants, organizational and administrative aspects, people's participation, involvement of panchyats etc in order to understand the less than satisfactory performance of these programmes.

Why do we, then, need one more study like the present one? We need this study firstly because we would like to know whether the modifications made in these programmes over the years (thanks to the recommendations made by the various Study Groups and Task Forces) have made any difference to the performance of the programmes. Secondly, we would also like to study the long term and collective impact of these programmes at the village level. That is, we would like to assess whether the money poured in to the villages over the past two decades under the programmes has made any impact on poverty. To put it differently, the proposed study intends to seek an answer to the : How far can poverty alleviation programmes go to reduce poverty. Or, where and when do these programmes succeed and why?

Some of the critical questions in this context are discussed in the following paragraphs:

1. The Role of PAPs in Poverty Reduction: The present assessment of PAPs, as discussed above, indicates that the programmes have not been very successful in reducing poverty. The success rate in terms of sustainable poverty reduction has been so low that the programmes prove to be very costly. Even though one can argue that in the short run the transfer of resources to the poor through PAPs does help in reducing poverty temporarily (in spite of leakages), the strategy would prove to be costly as the financial sustainability of such large programmes is a serious constraint. No government can go on spending crores of rupees for long to reduce poverty temporarily! We seem to have three major alternatives in this context: (1) discard PAPs, (2) modify them to make them effective or (3) limit their coverage by promoting only those programmes which are successful, and only in those regions (situations) where they are likely to be successful.

The first alternative raises a basic question as to what kind of other support can we provide to the poor? One alternative is of course to promote employment intensive broad based economic growth that would generate ample employment and income generating opportunities for the poor. As has been recommended many times, the right kind of economic growth, frequently described as people centered sustainable development, can help in sustainable poverty reduction in the long run. The question, however, is what happens to the poor till this growth is achieved – assuming that this type of growth is the long-term goal of the economy. The poor cannot be expected to wait till the time such a growth is achieved. PAPs therefore are needed to provide relief to the poor till economic growth is able to absorb them in the mainstream. This could be the first role of the PAPs. This view, however, is a very narrow view of PAPs as it does not aim at building on the strengths of PAPs. PAPs, after all, cannot be treated only as pure relief programmes.

The second alternative of modifying PAPs may not hold much promise if the modifications do not address the real constraints of the programmes. In other words, a modification per se, or “more of the same” does not seem to be the right

strategy. The third alternative of limiting the coverage of PAPs by selecting only those programmes, which can perform well, and those regions where they can do well seems to be the right approach. That is, one should carefully study the impact of these programmes in different situations to decide which programme works well and where.

The present study intends to explore the third alternative by attempting to reply to this question.

2. Identification of the Poor and Reaching Them: Several attempts have been made by the government to identify the poor correctly and to reach them through an appropriate institutional mechanism. The latest attempt has been the recent BPL survey recommended by the Group of Experts. It will be useful to examine how effective this latest approach is in identifying and reaching the poor. This examination will also help in recommending the right ways of identifying the poor, targeting them correctly and improving their well being.

3. Self Employment Programmes: Some of the problems identified with respect to self-employment programmes need a careful look. The present study therefore intends to examine the following critical issues with regard to self-employment programmes.

- Identification of key economic activities that would be economically viable for region
- Planning for a self employment activity in a sound way, may be in the form of a sound project
- Improving the capabilities of the poor by mobilizing them, empowering them and by raising their technical, entrepreneurial and management capabilities.
- Improving access of the poor to finance by going beyond the concept of micro finance to help the transition of SHG to economic activities.
- Administrative and institutional arrangements for PAPs to ensure people's participation as well as sound administration.
- Coordination and convergence of the programmes to reduce multiplicity and duplication of the programmes.

4. Wage Employment Programmes: The next critical issue is with regard to wage employment programmes. Some of the questions that need careful examination are

- How to avoid thin spread of these programme when the total funds available for PAPs are limited? What kind of alternatives are available here?
- What are the hurdles that come in the way of planning for durable assets under the programmes? How can one get rid of these hurdles?

- The 60:40 ratio for labour and material component as well as the banning of contractors tend to add to the problem of creating durable assets. What are the viable solutions to these constraints?
- Seasonal migration from arid/semi arid regions to cities or to irrigated regions is a common feature of our rural areas. This distressed migration not only keeps poor areas poor, but it also deprives the poor of the access to health education and welfare services. How should the present programmes be restructured to help these poor?
- The transition of area development programmes from DPAP/DDP to WSD is a major achievement in terms of the area development strategy. How can this strategy be strengthened further?
- Watershed development programmes are now entering into the second phase. What kind of support is needed to reap the benefits of these programmes for the poor, and how can it be promoted?

5. Social Protection to the Poor: The strategy of providing social security to the poor is in its initial stages of development. It needs to be developed into a strategy that provides comprehensive social security to destitutes, women and to informal sector workers. How can one scale up this strategy to ensure a minimum package of social protection to the poor? How can these schemes be organized better, and how can these be financed?

6. Vulnerability and Isolation of the Poor: One major dimension of poverty is vulnerability, powerlessness and isolation of the poor. The poor remain poor frequently because they are marginalized and excluded from the mainstream society. This isolation and vulnerability has its roots in the socio-economic structure of the rural society, which tends to make the poor exploitatively dependent on the non-poor, particularly the rich. Somehow this vulnerability or dependence is not addressed adequately by PAPs with the result that the poor remain marginalized and are not able to participate in PAPs. excluded even from PAPs.

The poor view their poverty differently – their needs and priorities are frequently not the same as articulated in the PAP strategy. It is important therefore to understand this perception and to design an approach that meets this perception. It is not just by accident that the poor belonging to low social groups are moving further away from the middle and high castes not only in income poverty but also in basic needs and human poverty. There is a need to understand this dynamics carefully.

Objectives of the Study:

The main objectives of the study can be listed as follows:

1. To assess the strengths and weaknesses of the different poverty alleviation programmes, based on their long term impact, in different situations. This also includes assessment of the long term impact of all major poverty alleviation programmes collectively at the micro level in order to estimate sustainable poverty reduction brought about by these programmes
2. To examine the critical issues with respect to self employment programmes, wage employment programmes, area development programmes and social security programmes to suggest ways and means of improving them,
3. to examine the working of the newly restructured programmes like SGSY and JGSY, and
4. To examine the relevance of the PAP strategy in the context of the constraints and vulnerability of the poor as well as the their perception and priorities,
5. Based on the above, recommend restructuring of the PAP strategy and the programmes. This will also include examining which programme works for which regions and for which socio economic groups.

Approach of the Study

The study starts with a careful examination of the PAP strategy of the government right from its inception to the recent restructuring that took place in the late nineties. A detailed inventory of PAPs in Gujarat, including the central PAPs and state PAPs, is discussed in this context. This is followed by an overview of the implementation of the PAPs in the state, which analyses the amount spent on the different programmes, beneficiaries covered under them and the general impact of the programmes as per the official sources and other studies. This overview is done with a view to understanding the overall size of the programmes in terms of the amounts spent and the beneficiaries covered under these programmes during the last decade or so. The next step is to conduct primary survey.

Looking at the socio-economic geographic diversity of Gujarat, three districts have been selected for the primary survey, namely, Bharuch from South Gujarat, Banaskantha from North Gujarat and Dahod from the eastern tribal belt. One taluka has been selected from each of the districts (namely, Jambusar from Bharuch, Dahod talukas from Dahod and Dhanera taluka from Banaskantha) in a way that the selected talukas represent the rural scene of the district. Two villages were, then, been selected from each of the talukas, one a large village, which is one of the top villages with respect to physical and social infrastructure while the other is one of the bottom villages, again with respect to physical and social infrastructure. The first type of villages are larger and relatively prosperous, while the second type of villages are remote and relatively poor.

The selected six villages were taken up for in-depth study. In addition, six more villages were selected from the selected from the selected talukas/districts for conducting PPA (Participatory Poverty Assessment).

As for conducting primary survey, structured and semi-structured schedules were designed and canvassed. In addition, informal discussion and focus group discussion were held with different socio-economic groups in these villages.

At the village level, information was collected about the socio-economic infrastructure of the villages, their land use pattern, irrigation and crops, basic services and village level organizations. Discussions were held with village leaders to understand the major problems of the village, their needs and priorities as well as about the government officials and their functioning in the village.

Family listing schedule was canvassed in the villages to collect basic information about the households, such as, consumption expenditure, type of housing, migration, possession of consumer durables and productive assets, indebtedness, family size, caste and occupation of the household. The schedule collected information about the participation of any household number in any poverty alleviation programmes as well as its overall impact. The schedule also collected information to crosscheck the poverty status of the household as laid down in the BPL survey. The family listing helped in identifying the poor, their inclusion/exclusion in the BPL list, non-poor households identified as poor, and participation of the poor and non-poor households in different poverty alleviation programmes.

All beneficiaries of PAPs were selected for the primary survey. Different schedules were designed for the beneficiaries of self employment programmes, wage employment programmes, watershed development programmes, housing programmes and programmes of social security, and were canvassed to all the beneficiaries. Non-beneficiaries were stratified into major occupation groups and 50 percent of the non-beneficiary households were selected from each of the groups for an in-depth survey. A schedule was prepared for non-beneficiaries to understand the causes of their non-participation in the programmes.

Semi-structured schedules were prepared for (a) government functionaries at the village, taluka and district levels and (b) managers of local banks to understand their perception about the poor, poverty alleviation programmes and their constraints and problems. Focus Group discussions were held in the selected villages with groups of women, watershed programme participants, scheduled caste/tribe groups etc. Informal discussions were also held with ex-sarpanchs (there are no village panchayat existing in Gujarat at present), village leaders and functionaries as and when possible.

The PPAs used the standard PPA methods, such as, Social Mapping, Wealth Ranking, Venn Diagram and other group exercises. The objective was to

understand the perception of the poor with regard to their poverty and their solution of their own problems. In short, 12 villages were selected for the purpose of studying poverty in the state.

All the collected information has been analyzed carefully and presented in different chapters.

Plan of the Report :

The report has been divided in to the following chapters:

1. Introduction (present chapter)
2. Poverty Alleviation Programmes in Gujarat : Overview
3. Profile of the Selected Villages
4. Results of the Survey: Household Profile and Participation in Poverty Alleviation Programmes
5. Self Employment Programmes
6. Wage Employment Programmes and Housing Programmes
7. Social Security for the Poor
8. Participatory Poverty Assessment
9. Concluding Observations

Chapter Two

Poverty Alleviation Programmes: Overview

This chapter has been divided into two sections: Section one discusses the PAP strategy as evolved over the years as well as the inventory of the PAPs in Gujarat at present, while Section two analyses the secondary data on the implementation of the PAPs in the state during the past decade or so.

1

Evolution of the PAP strategy

Poverty Alleviation Programmes (PAPs) or Special Programmes for the poor were introduced in the late 1970s “as a preferential treatment to the poor to enable them to participate in economic development (Raj Krishna 1977). As economic growth was observed to be bypassing the poor socio-economic groups as well as backward regions, a need was felt to make special efforts to reach developmental opportunities in the form of asset, credit, skill training etc. to these areas and groups at the doorstep. The PAP strategy, which was first introduced in the Fourth Five Year Plan, consisted of (a) precise identification of the poor, the target group, on the basis of asset (land), income and caste/tribe, (b) designing of the programmes/schemes to raise their incomes and employment, (c) provision of special extension and skill training facilities to enable the poor to take up such programmes and (d) provision of credit (subsidized) and other infrastructural facilities like marketing, technical support, insurance etc. to help the poor to undertake these special programmes successfully. It was expected that once the poor take up such programmes successfully, they would move to a higher level of technology, incomes and employment, and ultimately to above poverty line income/consumption levels. A special administrative network in the form of District Rural Development Agency was set up for the purpose, and it was adequately supported by officers, assistants and workers at the district, taluka and village levels.

This simple looking strategy expanded dramatically in terms of its content and coverage during the 1980s: (a) Its coverage of target groups expanded from small/marginal farmers and agricultural labourers, to rural artisans, other rural labour, women, scheduled castes, scheduled tribes etc., (b) Its coverage of target sectors expanded from agriculture to animal husbandry, cottage and village industries, petty trade, services, forestry, fishery, etc; and (c) the strategy covered target areas in the form of target area programmes to cover desert areas, drought prone areas, hilly areas, tribal areas etc. In addition, social security schemes like old age pension scheme, life insurance scheme (group),

and maternity benefit scheme were introduced to provide social protection to the poor. On the administrative and institutional front many more organizations like SC/ST Corporations, Women's Development Corporation, District Industrial Centres, Khadi and Village industries Boards, were set up or identified to implement these plethora of poverty alleviation programmes. The underlying assumption under this massive expansion was that the strategy would work better if it addressed specifically to different target groups, sectors and regions.

Several supplementary changes were introduced in the strategy in the 1980s to strengthen its design and implementation:

- **Group Approach:** When it was felt that the poor as individuals were not capable of handling enterprises, the group approach was introduced to build up collective strength of individual enterprises.
- **Skill Training:** Special skill training programmes like TRYSEM were introduced to enable educated youths to acquire new skills and employment.
- **Package Deal:** As the poor were observed to be lacking in adequate infrastructural and marketing support, self-employment schemes were backed by such support systems. For example, milch animal schemes was expected to be supported by veterinary service centres, cattle feed supply, milk roads, chilling plants, milk collection centres etc.
- **Support System:** In the case of women, the importance of support systems like child care facilities and maternity benefits was realized, as a result of which a special programme, DW CRA was designed and a maternity benefit scheme was also drawn up in some states.
- **NGOs for Implementation:** A space was created (or at least the need was felt) to involve NGOs and CBOs in the implementation of the programmes.

The experiences of PAPs in the 1980s and early 1990s have been evaluated extensively by official and non-official agencies. Several Study Groups and Task Forces set up by the government have tried to learn lessons from the studies for strengthening these programmes, and made useful recommendations in this context. In addition, several NGOs, which implemented these programmes for the government or independently, have provided insights into the working of these programmes and presented models of successful innovations in these programmes. All these factors have led to considerable modifications and changes in the programmes as well as the strategy. The recent attempts of integrating most of the poverty alleviation programmes in SGSY (Swarnajayanti Gram Swarozgar Yojana) and JGSY (Jawahar Gram Samridhi Yojana) is one of the last major modifications made in the programmes. The series of modifications

in these programmes over the past decades indicate that (a) the government has a basic faith in the PAP strategy, and (b) at the same time, the government is flexible enough to learn lessons from the field level experiences to make the strategy more effective and more efficient.

Some of the major changes in the strategy and programmes, which have been introduced during the past decades, are discussed in the following paragraphs:

1. Identification of the Poor: Initially the identification of the poor was based on means test. That is, a household was identified as poor, based on the income criterion. Indicator targeting was added to this with the addition of land ownership (including landlessness), profession (rural artisans) and caste/tribe. A household was expected to get a certificate from the talati/mantri about its land ownership and a recommendation from the village sarpanch for getting recognized as poor.

Since the identification was observed to be inadequate (it led to non poor getting recognized as poor on one hand and the real poor being left out of the identification on the other hand), the Eight Plan introduced a Census Survey to identify the poor. All District Rural Development Agencies were asked to conduct such a survey within their respective villages to identify poor households. Means testing was the main tool of the identification of the poor. These surveys, however, have been observed to be far from satisfactory as both kinds of errors of targeting, namely, recognition of non-poor households as poor and the poor left out of the identification, were observed. The incidence of poverty as per the survey was highly exaggerated. In some of the districts of the state the incidence of poverty was observed to be more than 100 percent!

With a view to improving the process of identification of the poor for the Ninth Plan, the government of India (Department of Rural Employment and Poverty Alleviation) set up an Expert Group to advise them about the survey. The Expert Group recommended (a) the use of multiple criteria rather than a single criterion, (b) use of exclusion criteria for weeding out non-poor families and (c) use of household consumption expenditure rather than income to measure the level of living of a household. Based on these recommendations a new BPL survey was designed in 1997 which was conducted in the following year. The survey schedule was designed in two parts: Part A included Exclusion Criteria under which a household with (a) a pucca house, (b) more than two hectares of land, (c) a member earning more than Rs. 20,000 per year as salary/profit, (d) television, refrigerator, ceiling fan, motor cycle/scooter or a three wheeler, or with (e) a tractor, power tiller or a combined harvester/thresher was to be treated as Non-Poor.

Part B of the schedule included multiple criteria to determine whether a household is poor. This part of the schedule collected information about (a) land ownership, livestock, housing and occupation of the household, (b) education, training and skill levels of household members, (c) consumption expenditure of

the household, (d) indebtedness and migration status of the household and (e) participation of the household members in poverty alleviation programmes. The investigator was expected to identify poor households using these characteristics as well as the set norms of a poor household.

The BPL survey was expected to be conducted by trained investigators of the Directorate of Economics and Statistics and National Sample Survey investigators. NGOs were also to be involved with this survey as and when possible. Involvement of Gram Sabha was also recommended in the process of identification of poor households. In short, there has been a good progress in the process of identification of the poor under the PAP strategy.

2. Self Employment Programmes: Self-employment programmes have also undergone several major changes at the strategy level as well as at the level of programme designing and implementation. As seen above, in the initial stages, self employment programmes expanded rapidly to include a large number of groups of the poor, sectors and regions to expand the coverage and impact; group approach and skill training were introduced; and supporting infrastructure and amenities (for example, child care) were provided to the poor. Since these changes were observed to be inadequate, several major modifications were added to the approach, and recently several programmes, such as IRDP, SWCRA and TRYSEM, are integrated in the SGSY, an integrated self-employment programme that is holistic in its approach:

- **The SGSY approach** is holistic in the sense that it covers all aspects of self-employment, such as, organization of the poor in to Self Help Group (SHG), training, credit, infrastructure and marketing.
- **The Group Approach** of the programme starts with mobilization of the poor in Self Help Groups and their capacity building. Such groups is expected to generate their own savings and use the group funds for lending to the members to meet their needs. Gradually SHGs will become strong in terms of total savings as well as funds, to be able to absorb infrastructural funds and revolving funds of the government. This strength would help them in accessing bank finance gradually to take up income generating activities. The SHGs accept that the poor are credit worthy, bankable and can manage economic activities gradually. The SGSY ensures not one shot credit but a continuous and incremental credit to micro enterprises.
- **The Cluster Approach** of the SGSY ensures that activity clusters, and not individual isolated economic activities are generated. For this, 4-5 key activities are to be identified for each block, based on the resources, occupation skills of the people and availability of markets. Selection of key activities will be done with the approval of panchayat bodies at the block and district levels.

- **The Project Approach** of the SGSY requires that project reports are prepared in respect of identified key activities. Local banks and other financial institutions are to be closely associated and involved in the preparation sound project reports so as to avoid delays in sanctioning of loans and to ensure adequacy of financing.
- **Skill development** by training has to be tailor-made, based on the specific needs of the economic activities taken up by the groups. The type of training, duration of training and the timings/location of training are to be designed keeping in mind the needs of the SGSY groups. Entrepreneurship training, management training and skill training will be given without any set “targets” or “norms”. SGSY will also ensure upgradation of skills of groups members as and when needed.
- The SGSY is implemented by DRDAs through panchayat samitis. In fact, the overall implementation of SGSY will call for coordinated efforts of NGOs, PRI, banks and DRDA.

It is clear that SGSY has been designed in a way that takes care of the major problems of IRDP and self employment programmes as noted by evaluation studies and Expert Groups.

3. Wage Employment Programmes: The first major public works programme or wage employment programme was introduced in the 1960s in the form of Rural Works Programme to provide employment to the unemployed, mainly in the lean season. A series of wage employment programmes have followed the RWP, each trying to learn from the experiences of the earlier one and trying to improve upon it. The major programmes in the series, introduced during the past two decades, can be listed as National Rural Employment Programme (NREP), Rural Landless Labour Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY) 1,2 and 3, Employment Assurance Scheme (EAS) and Jawahar Gram Samridhi Yojana (JGSY). Some of the state level programmes are Employment Guarantee Scheme of Maharashtra, Janmabhoomi of Andhra Pradesh and Gokul Grama Yojana of Gujarat.

The two major objectives of wage employment programmes have been (a) generation of employment for the un/under employed and (b) creation of durable assets in the local economy. Though both these objectives are, to an extent, complementary to each other, there are occasions when it becomes necessary to give preference to one against the other. Since all major wage employment programmes had a primary objective of employment generation, and asset generation was secondary, the focus of all these programmes was mainly on generating wage employment for the poor. However, frequently these programmes (like JGY and EAS) were perceived as asset building programmes rather than wage employment programmes, with the result that the programmes violated guidelines and (a) used contractors to build durable assets, (b) used

equipments and material to produce durable assets beyond the set norms, and (c) in the process, generated a small size of employment for local unskilled poor.

Looking to these two competitive objectives of wage employment programmes, the government has now designed two major programmes, namely JGSY, aiming at creation of demand driven community village infrastructure (introduced on 1st April 1999) and EAS with a focus on creating additional wage employment for the un/under employed. The secondary objective of the EAS is to create durable community, social and economic assets for sustained employment and development. While the JGSY is expected to be implemented by village panchayats with the approval of Gram Sabha (with DRDA/Zila Parishad and panchayat samitis responsible for overall guidance coordination, supervision and monitoring), the EAS is to be implemented by the district administration.

In addition, there is a housing programme for the poor, namely, Indira Awas Yojana (IAY). This programme was introduced mainly to construct houses for the poor to enable them to live in their own house with dignity, without depending on charity or obligation of the rich.

Some of the special characteristics of these wage employment programmes, introduced over the years to improve the efficiency of the these programmes are:

- Advance planning of assets/infrastructure at the village and district levels to ensure a focus on the construction of basic infrastructure in villages in a planned manner.
- Involvement of Gram Sabha and Village Panchayat in the planning and implementation of wage employment programmes is another positive feature. Contractors are banned on these programmes.
- Focus on durable assets in order to promote sustainable employment generation in the second phase of these programmes is also a development that aims at preventing wastages on these programmes.
- Selection of beneficiaries under the programmes is to be done through an Employment Register which is expected to register all those who want work on these programmes. Such a register assures that all those in need of such work are gradually covered under the programme.
- Allocation of funds under the EAS and JGSY is to be done on the basis of an index of backwardness of districts which is calculated from the proportion of SC/ST population in the district and inverse of agricultural production per agricultural worker as compared to the earlier criteria of proportion of SC/ST only.

In short, the number of programmes has declined, the allocation of resources has increased and planning under the programmes is expected to become more systematic.

4. Area Development Programmes: Drought Prone Area Programmes (DPAP), Desert Development Programmes (DDP), Hilly Area Development Programme (HADP) and Tribal Area Development Programmes (TADP) were introduced in the 1970s to promote development in “by passed” backward areas. Since environmental degradation and poor development of infrastructure were major causes of backward of these regions, the programmes started with promotion of environmental programmes like soil conservation, land development, minor irrigation etc. The programmes also covered promotion of self-employment of the poor in these regions.

Two major Task Forces were set up to evaluate the performance of these programmes, namely, the Task Force on DPAP (1982) and Technical Committee on DPAP/DDP headed by C.H. Hanumantha Rao in 1994-95¹. The reports of these committees, and particularly the second Committee helped in introducing major changes in the programme to help efficient management of national resources. The introduction of Watershed Development Programmes is a contribution of this Committee.

A main feature of the WSD strategy is an integrated land and water management or natural resources management with people’s participation. The main thrust of the strategy on soil conservation, land shaping, pasture development, vegetative bunding, water resources conservations – all on the basis of an entire compact micro watershed rather than on pieces of waste lands scattered at different places. Some of the improvements introduced in WSD programmes are:

- Multi-disciplinary approach to natural resources management followed by economic development.
- Participation of local people, including women in the process of planning, and implementation of the programme
- Involvement of Programme Implementation Agencies (PIA), which could be an NGO, a users’ group or a panchayat body, as the coordinating agency.
- Technical support and training to the concerned parties on the different aspects of the programme through technical agencies, and
- Systematic planning for promoting holistic development of the region based on natural resource management.

¹ This Committee is also known as High Level Committee to review DDP & DPAP.

There are several WSD programmes implemented at present:

- National Watershed Development Projects for Rainfed Areas (NWDPRA) of the Department of Agriculture and Cooperation
- Integrated Wasteland Development Programme (IWDP) also implements watershed development programme in DPAP and DDP areas
- Integrated Afforestation and Eco-development Scheme (IAES) to promote development of degraded forest areas, implemented by the Ministry of Environment and Forest,
- Watershed development under Western Ghats Development Programme (WGDP) and Hilly Area Development Programme
- Watershed approach in the development of catchment areas of River Valley Projects and flood-prone areas
- Watershed development to control shifting cultivation in North-East Regions
- WSD programmes under the Watershed Development Fund created by NABARD, which is expected to cover 100 districts in three years (set up in 1999-2000).
- Some foreign funded WSD programmes, such as, those funded by DFID, by Indo-German Watershed Programmes etc (Maharashtra).

Since all these programmes use different approaches, a need was felt for a “Single National Initiative”. The government has proposed a new scheme under NWDPRA, which has participative approach for empowerment of the community at the centre of the strategy. The common approach also advocates effective follow up of WSD with economic development efforts.

In short, the partial approach of DPAP/DDP in the 1970s, has come a long way in WSD programmes promoting an integrated and holistic approach to natural resources management.

It needs to be noted that a new Department of Land Resources has been created in 1999 by merging schemes of area development (DPAP; DDP, WSD, forestry as part of EAS) with the present Department of Wasteland Development. The new department focusses on development of natural resources, linked with overall development.

5. Programmes for Social Protection and Social Security: Social security schemes, the schemes that support workers in the event of loss of income (due to old age, sickness, injury, death, child birth and frictional unemployment), were introduced in India in the organized sector to provide social protection to the workers engaged in factories, government service, public and semi public undertakings, private corporations etc. The schemes covered only “permanent workers” in these employments. The non-permanent workers in the organized

sector as well as unorganized enterprises were kept out of these schemes. It was perhaps assumed that unorganized workers would gradually be absorbed in the organized sector and would be gradually covered by the same set of social security schemes.

It was, however, soon realized that there is no possibility of unorganized workers joining the organized sector in any foreseeable future. It was felt that the informal sector and the unorganized sector is here to stay, and in fact, may expand in coming years. Since the 1980s therefore one observes the introduction of social security schemes for unorganized workers, particularly those living in poverty. Considering the acute poverty of non-workers, and particularly destitutes, some social assistance schemes were also introduced at the all India level. The Old Age Pension Scheme was the first scheme to be introduced at the all India level. The number of schemes has increased over the last decade and a half, and they cover a larger number of sectors, and a large number of socio-economic groups and regions.

The major social security schemes at the all India level are:

1. National Old Age Pension Scheme (NOAP)
2. National Family Benefit Scheme, (NFBS)
3. National Maternity Benefit Scheme (NMBS)
4. Rural Group Insurance Scheme (RGLIS)

The NOAP is made available to persons above 65 years with no source of income or no financial support from any source. The NFBS provides Rs. 10,000/- to families below the poverty line in case of death of the main earning member or earning substantial proportion of family income. The age of the household member at the time of death should be between 18 and 65 years. The NMBS provides cash assistance of Rs. 500/- to pregnant women of BPL families. The scheme is restricted to first two live births and only for women above 19 years of age.

Government of India has also introduced Rural Group Life Insurance Schemes (1995) to insure one main earning member of BPL families. The scheme is meant for people between 20 and 50 years. The premium of Rs. 50-70 is shared by the government (50 percent). The maximum amount of insurance is Rs. 5,000/-.

The above schemes indicate a beginning by the government in the field of protecting unorganized workers. The coverage and content (amount) of the schemes are too small to make much impact at the macro level. These schemes have a long way to go to provide any meaningful social security to the poor!

State Level Initiatives

Government of Gujarat has taken some initiative and designed a few state level poverty alleviation programmes. These programmes are self-employment programmes, wage employment programmes, infrastructure related programmes, watershed programmes and social security programmes. The objectives behind introducing these programmes are:

- To supplement the centrally sponsored programmes to make the programmes more effective (for example, Special Employment Programme).
- To fill in the gaps that one observed in central programmes (for example, Halpati Awas and Sardar Awas Yojana to provide houses to tribals).
- To focus on new areas or sectors that are neglected by the central programmes (for example, Gokul Gram Yojana for rural infrastructure)

The following is the list of these programmes as implemented in the state at present:

1. Self-employment Programmes:
 - IRDP Component for selected districts
 - Special Employment Programme – for employment generation at the micro level (The programme extended its support to DWCRA as State's share of revolving funds).
2. Wage Employment Programmes and Infrastructure Development Programme
 - Halpati Awas Yojana and Sardar Awas Yojana
 - Gokul Gram Yojana
3. Area Development Programmes:
 - State watershed programmes
 - Tribal development projects
4. Social Security Schemes:
 - Group Insurance Schemes for landless agricultural labourers, forest workers, salt workers and fishing workers
 - Shramik Suraksha Scheme

Table 2.1 Inventory of State Government and Central Government PAPs

Name of Programme	Scheme Year	Finances Central Share State Share		PIA	Concerned State Department	Coverage	Objective / strategy
Self Employment Programme							
Swarnajayanthi Grama Swarozgar Yojana	1999-2000	75%	25%	DRDA through panchayat samitis	Rural Development	All the blocks in the country are covered. 50% SC / ST 40% Women and 3% for disabled	Credit cum subsidy programme for family below poverty line. Assisting to set up group or individual micro-enterprises through Self-help groups.
Swa-Shakti Project	1998	100%	0%	Women Economic Development Corporation	Social Justice and Empowerment	Six States in India – Gujarat, Haryana, Bihar, Karnataka MadhyaPradesh and Uttar Pradesh	Empowerment of Women by facilitating a process of Social Change
Wage Employment Programmes							
Jawahar Grama Samridhi Yojana	1999-2000	75%	25%	Grama Panchayat	Rural Development	All blocks in the country covered and all unemployed poor	To create rural infrastructure at the village level. To provide employment opportunity to unemployed poor.
Employment Assurance Scheme	1993-94	75%	25%	Zilla Parishad ²	Rural Development	All panchayat samitis covered for all unemployed	To provide minimum of 100 days of wage employment to two adults

² Implemented by DRDA where Zilla Parishad do not exist.

						poor	per family below poverty line. Creation of durable community assets.
Area Development Programmes							
Drought Prone Area Programme	1973-74 re-framed in 1995-96 and 1999-2000	50 75	50 ³ 25	DRDA / ZP	Rural Development	10 districts and 52 blocks. 500 hectares per watershed project.	Minimise the adverse effects of drought on crop / livestock and productivity of land, water, and human resources. Participation of people and PRIs.
Desert Development Programme	1977-78 re-framed in 1995-96 and 1999-2000	100 ⁴ 75	0 25	DRDA / ZP	Rural Development	6 districts and 47 blocks	Combating drought and desertification. Restoration of ecological balance.
Integrated Waste land Development Programme	1989-90 1995-96 modified under watershed development	100	0	Line Department / NGO Through DRDA / ZP	Rural Development	10 districts	To take up integrated wasteland development based on village / micro-shed plans

³ The financial sharing ratio was 50:50 until 1998-99 and changed to 75:25 in 1999-2000

⁴ The financial sharing ratio was 75:25 for hot arid (Non-sandy) region and 100:0 for Hot arid (sandy) region. However in 1998-99 the ratio was normalised to 75:25.

Gokul Grama Yojana	1995-97 1998-99 ⁵	0	100	Programme Implementation committee at the village level	Rural development	18242 villages (100% coverage)	To provide 16 basic amenities in all villages. Facilitate the implementation of other PAPs in the concerned villages.
Indira Awaas Yojana	1985-86 with RLEGP; 1989-90 with JRY; 1995-96 made independent scheme	80	20	Grama Sabha / DRDA	Rural Development	60 % - SC/ST + freed bonded labourers 37 % - Non-SC / ST + Ex-servicemen + armed and paramilitary forces killed in action 3 % - Disabled persons	Dwelling units for free of cost to persons below poverty line.
Tribal Area Sub Plan	1975-76	50	50	Tribal Development Commissioner	Social Justice And Empowerment	All districts of the state	Socio-economic development of tribal people.
Social Security Programme							
National Old Age Pension Scheme	1995-96	100	0	District collector +	District Collectorate	Persons above 65 years of age with	To provide income to destitute elder citizens as

⁵ The programme was discontinued during the year 1997-98.

				Panchayat/ Municipality		no source of livelihood. All panchayats and municipalities	a means of livelihood / financial assistance.
National Family Benefit Scheme	1995-96	100	0	District collector + Panchayat/ Municipality	District Collectorate	Family below poverty line. All panchayats and municipalities	To provide financial protection to the family with sudden loss in income due to death of major earning member.
National Maternity Benefit Scheme	1995-96	100	0	District collector + Panchayat/ Municipality	District Collectorate	Women in the age group 19-45. All panchayats and municipalities.	To provide financial assistance during pregnancy for first two live births.
Annapurna Scheme	1995-96	100	0	District collector + Panchayat/ Municipality	District Collectorate	Citizens above 65 years of age All panchayats and municipalities.	To provide food security to destitute elder citizens with no source of income / financial assistance.
Group Insurance Scheme for landless agricultural labourers	1992-93	0	100	Gujarat Rural Workers Welfare Board + LIC	Gujarat Rural Workers Welfare Board	36 lakh workers all over the state.	Insurance for the unorganised labour in the age group 18-60 years
Group Insurance Scheme for the fishermen	1993-94	0	100	Gujarat Rural Workers Welfare Board + LIC	Gujarat Rural Workers Welfare Board	57,000 workers all over the state.	Insurance for the unorganised labour in the age group 18-60 years

Group Insurance for the forest and plantation workers	1993-94	0	100	Gujarat Rural Workers Welfare Board + LIC	Gujarat Rural Workers Welfare Board	1,32,000 workers all over the state.	Insurance for the unorganised labour in the age group 18-60 years
Group Insurance for the salt workers	1993-94	0	100	Gujarat Rural Workers Welfare Board + LIC	Gujarat Rural Workers Welfare Board	45,000 workers all over the state.	Insurance for the unorganised labour in the age group 18-60 years
Shramik Suraksha Scheme	1995-96	0	100	Gujarat Rural Workers Welfare Board + Oriental Insurance Corporation	Gujarat Rural Workers Welfare Board	70 lakh workers all over the state.	Insurance for the unorganised labour in the age group 14-70 years

Note : The list does not include some of the tiny schemes implemented by the department of Social welfare and Rural labour Commissionerate

Table 1 presents the inventory of the major poverty alleviation programmes as implemented in the states today. It shows the state initiated programmes as well as the central programmes. The smaller programmes like the ones implemented by the Social Welfare Board or Rural Labour Commissionerate are not included in this chart.

2

Physical and Financial Performance of PAPs in Gujarat

Tables 2 and 3 present data on the financial expenditure and physical achievements of the PAPs in India. The tables show that the Government of India spends about Rs. 8381 crore on the major self and wage employment programmes today (1998-99), of which Rs. 1231 crore (14.6 percent) are spent on self employment programmes and Rs. 7150 Crore (85.3 percent) on wage employment programmes. The total amount spent on these programmes comes to about 20 percent of the total annual expenditure of the Government of India! The table also shows that the amount spent on these programmes has almost doubled between 1992-93 and

98-99, which indicates the importance given to these programmes. The relative importance of self-employment programme has declined while that of wage employment programmes has increased.

The table also shows that between 1992-93 and 1998-99 government has spent about Rs. 50,000 crore, a staggering amount, on these programmes! Of this Rs. 7959 (15.8 percent) crore have been spent on self-employment programmes, while the remaining amount has been spent on wage employment programmes. The total amount spent on IRDP during the period has been Rs. 7075 crore which covered 14.16 m. beneficiaries. If we assume 8-10 percent long-term success of these programmes, it implies that about 1.1 million poor could be brought above the poverty line in seven year. That is, about 3 percent of the total rural poor households (even if we go by the 1999-2000 estimates) were brought above the poverty line in seven years, with the amount spent on 13 m. poor gone in the drains, with many of them increasing their indebtedness. Since the wage employment programmes provided one shot employment, a temporary relief, the money spent on these programmes could not create any sustainable poverty reduction, and if one considers the fact that the thinly spread amounts of wage employment programmes could generate about 27 days of employment per person, the benefits of temporary relief also are not achieved! However, one may argue that the assets generated may contribute to employment generation in future we do not have any estimates of these. The poor planning of assets here does indicate wastage of resources.

Table 2.2. Financial Achievement of Poverty Alleviation Programmes - All India (Rs. In Lakhs)

Year	Self Employment Programmes				Wage Employment Programmes					TOTAL Expenditure
	IRDP	TRYSEM	DWCRA	Total	JRY	EAS	IAY	MWS	Total	
				SEP					WEP	
1992-93	69307.64	4750.07	978.61	75036.32	270958.93	0.00	23383.51	53404.63	347747.07	422783.39
1993-94	95664.95	5501.54	1882.25	103048.74	359020.56	18375.03	48099.95	63974.19	489469.73	592518.47
1994-95	100831.66	6846.21	5419.91	113097.78	335987.91	123545.28	50038.38	77618.41	587189.98	700287.76
1995-96	107716.20	9882.60	5707.66	123306.46	396608.39	172061.21	116636.44	53828.85	739134.89	862441.35
1996-97	113954.77	9783.87	8313.73	132052.37	165487.00	216041.27	138592.42	45288.36	565409.05	697461.42
1997-98	110954.01	7910.43	7385.97	126250.41	195161.00	290496.89	159147.85	46600.99	691406.73	817657.14
1998-99	109116.06	5978.16	8025.27	123119.49	206000.00	281976.58	180266.88	46805.38	715048.84	838168.33
Avg.Gr.Rt	6.71	3.00	23.97	7.24	-3.68	31.81	27.16	-1.93	10.29	9.81

Table 2.3. Physical Achievement of Poverty Alleviation Programmes - All India

Self Employment Programmes - (Numbers) Wage Employment Programmes - Lakh Mandays)

Year	Self Employment Programmes - (Numbers)				Wage Employment Programmes - Lakh Mandays)				
	IRDP	TRYSEM	DWCRA	Total	JRY	EAS	IAY	MWS	Total
				Beneficiaries					Mandays
1992-93	2068773	275993	128744	2473510	7821.02	0	350.50	1002.71	9174.24
1993-94	2538320	303821	268525	3110666	10258.4	494.74	678.01	840.27	12271.42
1994-95	2215421	281874	591696	3088991	9517.07	2739.56	710.68	879.64	13846.95
1995-96	2050678	291450	505923	2848051	8958.25	3450.73	1572.28	790.47	14771.73
1996-97	1923651	182537	581944	2688132	4006.32	3986.45	1467.45	600.21	10060.43
1997-98	1706609	112742	460409	2279760	3960.79	4717.77	1403.10	573.38	10655.05
1998-99	1658095	105166	549699	2312960	3966.57	4165.31	1518.86	502.14	10152.88
Avg.Gr.Rt	-2.90	-11.00	13.64	-0.85	-7.95	21.30	15.17	-9.65	1.21

Note: Mandays for IAY and MWS is calculated as follows:

IAY - 182 Mandays per House

MWS - 554 Mandays per Well

Source: Compendium of Evaluation Studies, Vol.II, Directorate of Evaluation,GoG

All-India - State Wise:

A comparison of the shares of food subsidy, wage employment programmes, self employment programmes, social welfare and nutrition programmes, in Central plan budgetary expenditures on anti-poverty programmes, shows that wage employment and self-employment programmes account for nearly 30 per cent of the total which is almost on par with food subsidy. Between 1990-91 and 1997-98 the share of wage employment programmes has increased from 1.9 per cent to 2.9 per cent in 1994-95 and again declined to 2.3 per cent in 1997-98. The share of self-employment programmes varied from 0.4 per cent to 0.5 per cent and to 0.2 per cent during the same period (World Bank, 1998).

Total expenditure on employment related poverty alleviation programmes for all-India shows an increase of 98 per cent from Rs.4227.83 crore in 1992-93 to Rs.8381.68 crore in 1998-99 (refer Table 2). Comparing the expenditure of the two programmes, it is observed that the share of self-employment is in the range of 15 to 18 per cent and that of wage employment is 82 to 85 per cent (refer Table 3). JRY was given highest priority in terms of allocation accounting for nearly 63 per cent of total expenditure in the initial year. The share however declined from 63 per cent in 1992-93 to 24 percent in 1998-99. The allocation has been made in favour of EAS and partly Indira Awaas Yojana. The change in their shares in the total expenditure is marginal in other programmes. Compared to the financial performance, physical targets have been achieved, but the performance is not very appealing (refer Table 4 and Table 5). The total number of IRDP beneficiaries has declined. The number of trainees under TRYSEM has not shown substantial increase. The state level physical and financial performance of self-employment and wage employment programmes has been analyzed as following.

Self Employment Programmes:: State level information in Table 6 shows that the expenditure on total self-employment programmes in Uttar Pradesh is the highest among the 17 major states and accounts for nearly 25 per cent of all-India total expenditure during the year 1998-99. Similarly, Andhra Pradesh, Bihar, Madhya Pradesh and Maharashtra, each account for nearly 10 per cent of the all-India total expenditure. Expenditure on self-employment has increased by more than 150 per cent in 11 out of 17 major states between 1992-93 and 1998-99(Table 7). The increase in expenditure is marginal in case of Himachal Pradesh, Kerala and Madhya Pradesh. The expenditure levels have been almost not changed during the same time period in the States of Punjab, Rajasthan and West Bengal. Among the self-employment programmes, IRDP has the highest share in the order of 85 per cent to 95 per cent of total. In actual terms, total beneficiaries under self-employment programmes are approximately 2.5 to 3 million per year during the period 1992-93 to 1998-99(Table 8). Across States, the number of beneficiaries under self-employment programme varies from

15620 in Punjab to 5.42 lakh in Uttar Pradesh for the year 1998-99 (Table 9). The percentage change in the expenditure incurred on self-employment programmes is not reflected in the increase in the number of beneficiaries.

The data on per capita expenditure on IRDP, DWCRA and TRYSEM show that the expenditure is higher for DWCRA and TRYSEM compared to IRDP (Table 10 A, Table 10 B and Table 10 C). The physical achievement of these three programmes is not very encouraging. In the case of IRDP the success rate is around 3 to 5 per cent. It is similar in the case of DWCRA also. Lack of technical and entrepreneurial skills is the main reason for the low success rate. In DWCRA it is the lack of supervision by the CDPO Staff leading to effective use of revolving funds and defunct groups. All-India figures for TRYSEM show that, only 50 per cent of the trained get employment, mostly for short periods.

In comparison with all-India and the other states, the financial performance of IRDP has been fairly good in Gujarat during the period 1992-93 to 1998-99. (1995-96 and 1996-97 are exceptional years, which may be partly attributed to political instability during these years). The physical achievement however shows a different trend, a much lower performance.. As compared to IRDP, the finances utilised for DWCRA programme in Gujarat shows variations across the years 1992-93 to 1998-99. The utilisation rate has been low at 65.55 per cent during the year 1998-99 as compared to 1006 per cent in 1994-95. The physical coverage has also shown variations in terms of number of groups and memberships during this period. The financial expenditure incurred on the programme increased from Rs.219.09 lakhs in 1992-93 to Rs.601.75 lakhs and Rs.308.66 lakhs in 1998-99. The expenditure has increased by 12.66 per cent during this period and ranks 19 among other states and UT as compared to 5.72 per cent for all-India. The performance of the programme depends on the number of persons employed after obtaining the training under TRYSEM. The percentage of persons obtaining employment shows high variations across the states from 21.25 per cent in Mizoram to 89 per cent in West Bengal during 1992-93. This percentage is much lower than all-India average except in 1994-95. During the year 1996-97 to 1998-99, the percentage of trained persons obtaining employment (either wage employment or self employment) is 100 per cent in all the states. The increase in the number of TRYSEM beneficiaries obtaining employment may be attributed to conversion of supply of improved tool-kits worth Rs.500 to each beneficiary into a full-fledged programme called SITRA.

The performance of SGSY has been fairly low with 13.72 per cent as compared to 45.51 per cent at all-India level and ranks 20 among all states and UT. Information is available for half the financial year only. Hence the utilisation level is observed to be low. The physical achievement shows that 566 swarozgars were covered under the programme during the period 1999-2000 (Upto November 1999) in Gujarat. This is very low compared to the physical coverage of other states except Goa, Arunachal Pradesh and Sikkim. The physical

coverage of number of swarozgars varies from 741 in Punjab and Meghalaya to 53767 in West Bengal.

Wage Employment Programmes: Among the wage employment programmes, JRY had a comparatively higher share in 1992-93 but gradually declined to 29 per cent by 1998-99. Simultaneously there is a shift in the expenditure pattern towards EAS and IAY. The physical achievement at the state as well as all-India level is commensurate with the financial expenditure pattern (Table 1.19 and Table 1.20). The man-day of employment generated at all-India total under wage employment programme is nearly Rs. 1 billion per year during the period 1998-99. The expenditure on wage employment programmes across the States is nearly three to four times compared to expenditure on self-employment programmes. In the 1998-99, expenditure on wage employment programmes, across the states vary from Rs.4039 lakhs for Himachal Pradesh to Rs.1.03 lakhs for Uttar Pradesh. The physical achievement varies from 3.6 million man-days for Punjab to 16 million man-days for Bihar during the same year. The percentage change in expenditure across the 17 major states shows an increase varying from 12.6 per cent for Gujarat to 272 per cent for Assam as compared to 46 per cent for all-India. There was a decline in the expenditure by 33 per cent in West Bengal during the same period. The physical achievement in terms of man-days shows a decline across all 10 out of 17 major states. The man-days generated have increased during the period 1992-93 to 1998-99 in only seven states. At the aggregate level, the volume of amount spent and the employment generated is substantial. But the per capita employment is very low.

The average of six years data across the 17 major states from 1993 to 1999, shows that per capita employment made available varies from 2.7 days per year in West Bengal to 63 days in Tamil Nadu. The highest per capita man-days generated per year is observed in Karnataka with 110.6 days. The cost of generating one man-day of employment under employment assurance scheme increased from Rs. 37.14 in 1993-94 to Rs. 77.63 in 1998-99. The financial resource utilisation for JRY programme in Gujarat, varied between 77 per cent and 91 per cent during the years 1992-93 to 1995-96. The ranking of the state varied between 7 and 12 during this period. Physical targets were achieved but the targets show a decline during the period 1992-96 in almost all the states and UT except Maharashtra, Madhya Pradesh, Orissa and Bihar. The reduction in targets could be due to introduction of EAS in 1993-94.

The financial resources allocated for Indira Awaas Yojana, which was under JRY upto 1995-96, nearly doubled. The data on wage employment and self-employment programmes shows that neither of the two programmes has effectively reduced poverty. Swarnajayanthi Grama Swarozgar Yojana is an improvement compared to IRDP and allied programmes in terms of its contents. However, there are chances of inclusion of non-poor due to high level of investment, turn over and skills that is desired by the programme.

State Level - District Wise:

Gujarat spends about Rs. 40.50 crore on the major self employment programmes (1998-99) and Rs. 121.1 crore on the major wage employment programmes, totaling to about Rs. 161.6 crore per year. This comes to a significant portion of the total government expenditure (1998-99).

Gujarat spent about Rs. 2429.35 crore on PAPs during 1990-91 and 1999-2000. Of this, Rs. 299 crore (12.3 percent) have been spent on self-employment programmes and 87.7 percent were spent on the wage employment programmes including infrastructural programmes like Gokul Gram Yojana (Rs. 397 Crore). In the earlier decade, 1980-81 – 1989-90, the state government spent Rs. 660.54 crore on these PAPs, which indicates that there has been a quantum jump in the amount spent on PAPs in the decade of the 1990s, with the main increase witnessed in wage employment programmes.

It appears that about Rs. 1817 crores have been spent on the wage employment programmes, such as NREP, JRY, IAY, MWS and EAS, while Rs. 486 crore have been spent on self employment programmes, such as IRDP, DWCRA and TRYSEM. As far as IRDP is concerned, the state has so far spent (upto 1999-2000), Rs. 500.96 crore on the programme and benefited 16 lakh beneficiaries. At the rate of 8 percent to 10 percent long-term success of IRDP, about 1.3 lakh beneficiaries have crossed the poverty line. This is a very expensive way of poverty reduction!

Table 2.4

Performance of Poverty Alleviation Programmes in Gujarat

Year	Unit	Programme	1975-1980	1981-1990	1991-2000	Total
Financial	(Rs.in lakhs)	IRDP	1443.0	18169.7	25968.7	45581.3
Physical	(Families)		180572.0	1241443.0	491623.0	1913638.0
Financial	(Rs.in lakhs)	DWCRA	0.0	122.6	1290.0	1412.6
Physical	(No.of Groups)		0.0	1007.0	5895.0	6902.0
Financial	(Rs.in lakhs)	TRYSEM	143.3	1418.9	2616.1	4178.3
Physical	(No.of Persons)		14616.0	117228.0	109192.0	241036.0
Year	Total:					
Financial	(Rs.in lakhs)	RLEGP	0.0	9714.5	0.0	9714.5
Physical	(Manday in lakhs)		0.0	421.1	0.0	421.1
Financial	(Rs.in lakhs)	NREP	0.0	17121.5	0.0	17121.5
Physical	(Manday in lakhs)		0.0	1015.5	0.0	1015.5
Financial	(Rs.in lakhs)	JRY	0.0	8076.3	77608.2	85684.5
Physical	(Manday in lakhs)		0.0	202.9	1522.5	1725.5

Year	Total:					
Financial	(Rs.in lakhs)	EAS		0.0	34486.6	34486.6
Physical	(Manday in lakhs)			0.0	470.7	470.7
Financial	(Rs.in lakhs)	MWS	0.0	2078.1	15077.5	17155.6
Physical	(No.of Wells)		0.0	9599.0	39457.0	49056.0
Financial	Rs.in lakhs	IAY	0.0	2330.0	24928.2	27258.2
Physical	No.of houses		0.0	24120.0	156697.0	180817.0
Year						
Financial	Rs.in lakhs	DPAP	4335.2	5296.0	11919.9	21551.2
Physical	Hectares			51886.0	63485.0	115371.0
Financial	Rs.in lakhs	DDP	173.0	1530.0	9254.1	10957.1
Physical	Hectares		0.0	11744.0	21016.0	32760.0
Financial	(Rs.Lakhs)	GGY	0.0	0.0	39789.9	39789.9
Physical	Man days in Lakh		0.0	0.0	132.7	132.7

Table 2.5
Financial Performance of Wage Employment Programmes – 1998-99

	District	NREP		JRY		IAY		MWS		EAS		TOTAL
		Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	Expenditure	Achievement	Expenditure
	Unit	Rs. In Lakhs	Mandays in lakhs	Rs. In Lakhs	Mandays in Lakhs	Rs. In Lakhs	No. of Houses	Rs. In Lakhs	No. of Wells	Rs. In Lakhs	Mandays in lakhs	Rs. In Lakhs
1	Ahmedabad	770.05	54.51	2837.33	54.74	563.11	4233	255.58	1005.00	845.77	13.05	5271.84
2	Amreli	396.98	23.27	1220.23	25.38	244.74	2402	96.11	466.00	1925.42	26.22	3883.48
3	Banaskantha	780.22	45.62	8027.06	161.66	1180.09	9097	924.12	2383	1707.71	31.45	12619.20
4	Baroda	1184.2	65.64	6580.56	126.69	2881.96	17603	666.65	2661	2066.54	28.27	13379.91
5	Bharuch	1117.84	67.08	5521.03	102.46	2486.67	18510	466.15	1900	2069.13	30.68	11660.82
6	Bhavnagar	696.02	38.82	2038	39.49	342.14	2568	265.83	708	985.46	14.72	4327.45
7	Dang	143.8	9.35	3462.96	60.7	825.15	4693	949.74	1874	189.85	3.47	5571.50
8	Gandhinagar	87.89	4.73	1053.13	15.61	81.38	550	0.48	0.00	86.45	7.97	1309.33
9	Jamnagar	461.46	25.5	1524.71	32.09	404.22	3504	317.49	792.00	1812.85	19.23	4520.73
10	Junagadh	640.61	32.16	2255.57	47.5	597.69	4652	674.05	1651.00	909.01	9.15	5076.93
11	Kachchh	695.91	48.83	4806.39	98.14	862.5	4742	633.03	811.00	1940.58	28.99	8938.41
12	Kheda	1606.97	80.75	2810.76	60.58	795.15	5621	352.08	1346.00	347.85	1.96	5912.81
13	Mehsana	1082.74	79.67	2852	56.13	656.2	4637	52.37	98	845.8	12.78	5489.11
14	Panchmahals	1847.86	112.15	14355.02	312.83	4875.59	31088	5868.9	18125	5817.88	82.89	32765.25
15	Rajkot	484.24	28.24	1873.84	34.87	459.67	3046	436.16	827	1499.23	9.99	4753.14
16	Sabarkantha	734.29	51.99	4094	81.12	1370.76	9139	566.24	1890	725.77	8.98	7491.06
17	Surat	2106.25	114.04	7617.36	149.84	4066.15	23205	1143.37	3558	2941.1	40.44	17874.23
18	Sur'nagar	456.59	37.64	2287.21	43.85	497.96	3399	315.5	544	3395.92	45.91	6953.18
19	Valsad	1831.65	94.52	9960.5	202.62	4167.9	28126	3169.85	8417	4374.2	54.58	23504.10
20	Total:	17121.47	1015.53	85684.48	1725.45	27258.16	180817	17155.6	49056	34486.62	470.73	181706.33

Source: Department of Rural Development, Govt. of Gujarat

Table 2.6

Financial and Physical Progress Under Self Employment Programmes

Sr.No.	District	IRDP(1979-80 to 1998-99)		DWCRA (1983-84 to 1998-99)		TRYSEM (1980-81 to 1998-99)		TOTAL
		Expend.	Physical Achievement	Expenditure	Achievement	Expenditure	Achievement	
	District	in Lakhs	Family numbers	in Lakhs	No. of Groups	in Lakhs	No. of persons	in Lakhs
1	Ahmedabad	2072.2	75221	137.6	595	145.8	8531	2355.6
2	Amreli	1304.6	57893	68.6	310	130.7	8284	1503.9
3	Banaskantha	2454.6	92805	97.3	442	143.2	7998	2695.1
4	Baroda	3368.1	120319	71.0	327	366.1	19393	3805.3
5	Bharuch	2922.0	111863	150.9	545	278.5	12564	3351.4
6	Bhavnagar	1791.2	70346	75.6	305	188.0	10962	2054.9
7	Dang	454.0	17199	60.6	285	65.5	4673	580.0
8	Gandhinagar	282.5	10596	44.2	219	26.9	2130	353.6
9	Jamnagar	1218.6	55323	61.9	270	89.8	7769	1370.3
10	Junagadh	2180.1	89966	135.4	732	222.5	14846	2538.0
11	Kachchh	1361.9	55516	108.9	528	99.2	9746	1570.0
12	Kheda	2834.8	122606	153.5	664	314.3	14160	3302.7
13	Mehsana	2594.8	119785	81.6	363	306.5	14920	2982.9
14	Panchmahals	5246.2	155890	102.4	558	510.8	27413	5859.4
15	Rajkot	1782.4	71575	65.2	266	101.9	6443	1949.4
16	Sabarkantha	2409.8	98742	75.7	328	218.4	15321	2703.8
17	Surat	3790.0	134316	118.9	436	440.4	21791	4349.3
18	Surendranagar	1259.8	45788	123.8	475	90.5	5206	1474.0
19	Valsad	3768.9	142019	74.6	369	438.5	30977	4282.0
20	Total:	43096.3	1647768	1412.6	6902	4178.3	241036	48687.2

Source: Department of Rural Development, Govt. of Gujarat

That is, of about the total 38 lakh rural poor (as per the latest data of the Planning Commission) less than 4 percent of the poor households have crossed the poverty line in the last 21 years! And as far as wage employment programmes are concerned, about 3212 lakh mandays have been generated in the past two decades, which comes to generation of about 100 days of supplementary employment for 3.2 lakh persons, which implies 100 days employment for 16000 persons every year. This does not even touch the surface of the problem of un/underemployment in rural areas! The generation of long-term employment has been almost zero as the employment generated in these programmes has been include the long term employment that is likely to be generated by the assets created under the programmes. In short, though the amount spent on the PAPs has been large, the returns in terms of poverty eradication have been very low.

Table 2.7
Table Expenditure in Rural Development Programmes in Gujarat

Year	Rural Development	Special Area Programmes	Total Development Expenditure	Total Expenditure
1998-99	612.61 (3.92)	26.65 (0.17)	10804.6	15606.1 (100)
1999-00	565.08 (3.22)	24.94 (0.14)	1175.15	17577.10
2000-01	787.59 (4.15)	25.42 (0.13)	12416.03	18959.37
2001-02	799.20 (3.43)	28.13 (0.12)	16811.17	23230.40
2002-03	606.08 (2.09)	25.01 (0.1)	21329.13	28860.12

Source: Budget in Brief, Directorate of Economics and Statistics, Government of Gujarat, 2001

The adjoining table indicates the amounts spent by the Government of Gujarat on all rural development programmes, including area development programmes. The table shows that the amount is quite significant, and more than the amount spent on Agricultural Development in almost all the years.

Physical and Financial Performance of Programmes in Gujarat:

Most of the important anti-poverty programmes in the state were initiated from 1981-82 onwards. This included IRDP, NREP, and DDP. DPAP was introduced in the 1970s. The data on the Grants released under various

rural development programmes shows that IRDP, DWCRA and TRYSEM, the major self-employment programmes, and NREP, RLEGP, the major wage employment programme were given, by and large, equal priority in terms of the resource allocation. However, after 1989-90, after the merger of NREP and RLEGP, into JRY, the resource allocation increased nearly two folds on wage employment programme over the previous year, i.e. 1988-89. The resource allocation made for self-employment has marginally increased over the years upto 1992-93. In 1993-94, there was a change in the policy to increase the level of per capita investment of IRDP. This is reflected in the increase in the grant released from Rs. 2195.55 lakhs in 1992-93 to Rs.3020.46 lakhs in 1993-94. The total grant released for wage employment programme in the state shows large increases with new programmes being introduced, both central and state sponsored.

In addition to the changes in the policies of the programmes on financial issues, there have been changes in the grant released from the year of economic reforms. For instance, the grant released for DDP, DPAP, and BLA have increased. Similarly the grants released for SF/MF, TRYSEM and SEP have reduced after 1991-92.

Self Employment Programmes :

IRDP: The physical and financial performance, i.e. actual expenditure incurred and number of families / beneficiaries covered, show mixed results. In the case of IRDP, the physical and financial achievement was more than 100 per cent during the period 1979-80 to 1999-2000, except in 1996-97 and 1997-98. The average investment per family has gradually increased from Rs. 795 in 1979-80 to Rs. 5495 in 1995-96. However in 1996-97 the per capita investment shows a substantial increase to Rs. 15437 and Rs.18873 in 1997-98. This could be the result of the introduction of the group approach in the programme. The advantage of the group approach was that no individual could sell any of their assets provided under the scheme without the knowledge of the entire group. There was higher probability of the assets to remain intact. Thus investment levels were increased. In addition, it was also felt that the level of investment was not sufficient for the poor *to break the vicious circle of poverty / give the big push*. Hence the investment levels were increased.

The achievement of IRDP or self employment programmes, in terms of coverage and expenditure, has been good in all the district of the state. The average investment per family has followed similar trend during the period 1979-80 to 1998-99 in almost all the districts. Though there is no substantial change observed in the financial progress during the period 1994-99, a reduction in the number of families covered is observed in 15 out of the 19 districts. It is observed that districts of Junagadh, Kheda,

Panchmahals, Bharuch, Baroda, Valsad, Sabarkantha, Mehsana and Surat have covered more than one lakh families during the period 1979-80 to 1998-99 under IRDP. Of these nine districts Panchmahals has covered the highest, dddd more than two lakh beneficiaries. There are eight districts covering more than 50,000 families. Only two districts have covered less than 50, 000 families during the said period. A common trend observed across all the 19 districts is that per capita investment has increased significantly after 1990-91, but the physical targets have reduced during the period.

DWCRA: The performance of DWCRA programme was not satisfactory in the initial years of implementation. Both physical and financial performance has improved after 1990-91. The physical and financial achievement is fluctuating year to year and is consistent with an increase in the expenditure as well as coverage after 1995-96. The revolving fund provided to each group increased from Rs.15,000 to Rs.25,000 in 1995-96.

The programme was initiated in different years between 1985-86 and 1993-94 in different districts. Time series data shows that the physical and financial achievement has been 100 per cent or more in most of the districts. The level of expenditure and coverage has been comparatively small. The expenditure has been in the range of Rs.15 lakhs to Rs.25 lakhs. In certain districts the expenditure has been in the order of Rs.30 lakhs to Rs. 40 lakhs during the year 1998-99. Similarly the number of groups formed in the districts varied from 60 to 70 groups.

The DWCRA programme that was supplementary to IRDP shows that the physical achievement is high in the districts where performance of IRDP is also high. For example, Junagadh, Kheda, Panchmahals, Bharuch and Surat. The highest coverage during the period 1983-84 to 1998-99 is observed to be in Junagadh district with 732 groups and expenditure of Rs.135.42 lakh followed by Kheda with 664 groups and Rs.153.51 lakh of expenditure. In addition, Ahmedabad and Surendranagar districts, which had fared satisfactorily under IRDP, has shown good progress under DWCRA also. The achievement in districts of Baroda, Valsad, Sabarkantha and Mehsana was not satisfactory as compared to performance of IRDP in these districts. Time series data on expenditure and physical coverage of groups across all 19 districts shows that, though achievement in percentage terms is high, the values are highly fluctuating in actual terms.

A study conducted on the DWCRA groups in 1991-92 showed that 75 per cent of the groups were inactive during the time of survey. The remaining 25 per cent of the groups were active with five different activities. Only 15 per cent of the groups were active for all the years since their formation.

Low incomes obtained from the activities discouraged the members and thus gradually the groups became defunct. The group members were not trained in credit management. As a result, the number of income / wage earning members reduced over time from 42 per cent in 1984-85 to 5.7 per cent in 1991-92. The wages earned per wage earning member varied from Rs. 50 to Rs. 276. The percentage of wage earning members accounted for 20 per cent of the total members.

TRYSEM: The physical and financial progress under TRYSEM prevents data on the number of persons trained and the expenditure incurred accordingly. The achievement in terms of coverage and expenditure has been very good. The per capita expenditure has also gradually increased from Rs. 980 in 1980-81 to Rs. 3339 in 1998-99. However, the number of persons employed has been only about 50 per cent of the total persons trained.

There is no trend observed in either the expenditure pattern or physical achievements of the programme in terms of the number of persons trained across the years of implementation. The per capita expenditure is however consistent across the districts during any given year. The achievement is good in the districts of Panchmahals, Bhavnagar, Dang, Junagadh, Rajkot, Valsad and Sabarkantha during the period 1980-81 to 1998-99. Less than 50 per cent of the trained persons have obtained either wage employment or self-employment.

The TRYSEM programme was implemented in Gujarat during the years 1980-81 to 1998-99. The highest number of beneficiaries has been in Valsad district with 30977 persons, followed by Panchmahals with 27413. In seven districts, namely, Kheda, Baroda, Junagadh, Mehsana, Bharuch, Surat and Sabarkantha the number of beneficiaries trained during the period 1980-99 varied from 12 to 15 thousand. In Ahmedabad, Bhavnagar, Amreli and Kachchh, the physical achievement is in the range of eight to 12 thousand. In the remaining six districts, the number of beneficiaries covered was less than 8000 candidates. The financial progress has been proportionate to the physical achievements, however with minor variations across the districts. The per capita expenditure shows a similar trend across the districts during 1980-99. However it is low where physical and financial achievement has been high.

According to a study made by the Department of Evaluation, Government of Gujarat on TRYSEM, out of the 441 beneficiaries, 58 per cent were engaged in 32 different economic activities before the training. The number of beneficiaries employed increased to 87.5 per cent. Thus 29.5 per cent of unemployed youths were benefited from the programme. In the total sample 15 per cent of the beneficiaries have shifted from agricultural

activity to non-agricultural activity after the training. These reveal short term impact of the programme.

SITRA: This programme was initiated in 1992-93 in two districts of the state viz; Kachchh and Panchmahals. In 1993-94, four more districts were added i.e. Ahmedabad, Amreli, Banaskantha and Jamnagar. Eight more districts were covered in 1994-95 and the remaining five districts in 1995-96. In all 27566 artisans were covered under the programme against the target of 24645.

According to an evaluation study by the Directorate of Evaluation, Government of Gujarat, the total beneficiaries account for 18 per cent of the total artisans in the districts, varying from 10 per cent in Junagadh to 35 per cent in Bharuch. About 86 per cent beneficiaries are categorised under nine major types of craft, and the remaining 14 per cent under other categories. Maximum beneficiaries accounting for 36 per cent artisans are carpenters. Another 36 per cent artisans are blacksmiths, potters and leather workers. The average cost per tool kit supplied to the artisans varied from Rs.1171 for leather work to Rs.2117 for gold smithy. It was observed that 32 per cent of the beneficiaries received defective tools. However, on the positive side, 91 per cent of the beneficiaries reported reduction in labour and saving in time. 92.4 per cent of the sample reported an increase in their social status and economic conditions. The overall increase in income varied from 57 per cent for pottery to 94 per cent for leather work with an average increase of 77 per cent. Once again, these data relate the immediate and short term impact.

SGSY: This programme has completed two years. There are 4419 groups covered under the programme in the state. Of these 4182 groups are new and 237 are old i.e. formed previously under the DWCRA scheme. The number of groups under SGSY varied from eight in Dangs district to 1074 in Sabarkantha district. During the first year i.e. 1999-2000 there are 7584 *swarozgars* from the 4419 groups covered. This accounts for 8.6 per cent of total members assuming an average membership of 20 persons per group. Rs. 1476.54 lakh has been disbursed to 7508 self employed beneficiaries i.e. an average of Rs.20,000 per person. About 78 per cent of the loans have been sanctioned. The number of applications approved for sanctioning is 31.66 per cent of the total applicants. The subsidy component accounts for 35 per cent of total expenditure.

WAGE EMPLOYMENT PROGRAMMES:

NREP: A total of 1015 lakh man-days of employment was generated under NREP in the state, incurring an expenditure of Rs. 17121.47 lakhs

during the period 1981-82 to 1988-89. The average cost of creating one man-day of employment was Rs. 16.86 for the entire period varying from Rs. 7.23 in 1981-82 to Rs.23.20 in 1988-89. The overall performance in terms of expenditures and has been over 100 per cent. Kachchh, Kheda, Panchmahals, Mehsana, Valsad and Surat have had higher number of man-days of work compared to 13 other districts in the state.

Majority of the work in terms of man-days has taken place in the districts of Kheda, Panchmahals, Valsad and Surat. There is no substantial difference in the average cost of generating one man-day across the districts.

RLEGP: About 421.07 lakh man-days of employment was generated in the state under RLGEF from its inception in 1983-84 upto its merger in 1989-90. Rs. 9714.45 lakhs has been spent on the programme during the period. The cost of generating one man-day of employment for the six year period is Rs. 23.07 varying from Rs.18.75 in 1983-84 to Rs.24.65 in 1988-89. This is however more than the cost of generating one man-day of employment under NREP.

JRY: The allocation to the new programme (which merged NREP and ALEGP) increased by more than one and a half times of the total of RLEGP and NREP, from Rs.5252.4 lakh in 1988-89 to Rs.7954.79 lakh in 1989-90. About 1725.46 lakh man-days employment was created during the period 1989-90 to 1998-99. The corresponding expenditure was Rs.85684.48 lakhs. The average cost of creating one man-day of employment was Rs.49.65 during the entire period and increasing from Rs. 39.79 in 1989-90 to Rs.100.68 in 1998-99. The employment generation is observed to decline from 202.93 lakh man-days in 1989-90 to 108.23 lakh man-days in 1996-97 and further decline to 59.18 lakh man-days in 1998-99. The expenditure has also shown a similar reduction from Rs.8076.78 lakh in 1989-90 to Rs. 5958.62 lakh in 1998-99. The reduction in the expenditure and employment has been largely due to the transfer of resources to EAS, which was made a full-fledged wage employment programme in 1993-94.

Panchmahals and Banaskantha districts have received maximum benefit from JRY followed by Surat, Valsad, Vadodara and Kachchh. The districts of Mehsana, Kheda and Ahmedabad have received moderate benefits.

EAS: The state level data on this programme shows that 470.73 lakh man-days of employment was generated during the period 1993-94 to 1999-2000 at the cost of Rs.34486.62 lakhs. The average cost of generating one man-day of employment is estimated at Rs.73.26. The cost is observed to increase from Rs.22.23 in 1993-94 to Rs.103.97 in 1999-2000. No targets were set for the employment to be generated under

EAS during the years 1996-97 to 1998-99. Interestingly the employment generated shows a rapid increase from 6.52 lakhs in 1993-94 to 125.73 lakhs in 1996-97. In the same manner, the man-days generated also show a rapid decline to 44.75 lakh man-days in 1999-2000.

The physical and financial progress is the highest in Panchmahals district. The expenditure incurred and employment generated in the districts of Banaskantha, Surat, Surendranagar, Vadodara, Valsad and Bharuch account for 49 per cent of total employment and 48 per cent of total expenditure in the state during the period 1993-94 to 1999-2000. There is a skewness in the implementation of the scheme across the districts. Even in the individual districts the expenditure and employment do not show any pattern across the years 1993-94 to 1999-2000.

IAY: According to the official data, nearly 1.81 lakhs beneficiaries have obtained houses under Indira Awaas Yojana in Gujarat during the period 1985-86 to 1999-2000. There is no trend observed in either expenditure pattern or number of beneficiaries between 1985-86 and 1994-95. There is however a substantial increase in achievement (in percentage terms) from year 1995-96 to 1999-2000. IAY, that was under JRY from 1989-90 onwards, was made an independent programme in 1995-96. The increase in the allocation and number of beneficiaries can be attributed to this policy of making the programme a separate one.

Our analysis of the achievement of this programme across the 19 districts for the period 1985-86 to 1999-2000 shows that 13768 houses accounting for 75.64 per cent of the state total is concentrated in seven districts. The expenditure pattern is quite similar to the physical coverage. The districts include Bharuch, Panchmahals, Banaskantha, Baroda, Valsad, Sabarkantha and Surat. The physical achievements in the rest of the districts vary from 0.3 per cent in Gandhinagar to 3.11 per cent in Kheda district. The state average cost of one house under IAY shows an increase from Rs.8890 in 1986-87 to Rs.20202 in 1999-2000. There is no substantial variation in the average cost of constructing one house across the districts during any given year. The question is about the quality of construction and the use of these houses. However, as in the case of EAS, there is a high level of skewness in the distribution of the benefit across the districts.

Evaluation of IAY in Gujarat by the Directorate of Evaluation, Government of Gujarat, reports that 74 per cent of the sample belong to agricultural labour class, 19 per cent are artisans, fishermen and other workers. Remaining seven per cent are marginal farmers and other miscellaneous groups. About 86 per cent of the beneficiaries had occupied the houses and 14 per cent had kept it vacant. An average of 214 man-days of employment were generated in construction of each house. 57 per cent of

the houses constructed generated less than 200 man-days. 43 per cent houses generated more than 200 man-days of employment. About 11 per cent beneficiaries reported to have received defective houses. Only 28 per cent of the total beneficiaries were satisfied with the quality of the house.

A more recent report on the assessment of IAY has been carried out for a sample of 1900 beneficiaries across the 19 districts of the state. The report shows that in the districts of Vadodara, Bharuch, Surat, Valsad and Dang, with 89 per cent of state's tribal population, have a share of 79 per cent of the state's total beneficiaries. The programme has however contributed to half of rural housing problem in Gujarat. Though 49 per cent of the houses were built with the help of contractors, 93 per cent of the beneficiaries were selected in the grama sabha. The selection of the beneficiaries seems to be good when gram sabhas included all the sections of the society. The programme was the useful to rural workers as it generated, on an average, 84.93 man-days per house at the state level, varying from 44.04 man-days in Gandhinagar to 225 man-days in Dang districts.

It is estimated that roughly 20 per cent of the sample beneficiaries had to incur extra expenditure on the houses provided to them under IAY. The main source of funding was own savings in 59 per cent cases. About 21 per cent beneficiaries received funds from government programmes. The remaining 20 per cent borrowed money from friends, relatives and moneylenders. In order to obtain the benefit of the scheme, 13 per cent of the beneficiaries are reported to have bribed the government staff for sanctioning of the scheme. It needs to be added that such savings usually fail to catch realistic estimates of leakages and bribes.

The study added that 1487 houses accounting for 78.26 per cent of total sample were new. It was observed that in 20.6 per cent cases the beneficiaries themselves occupied the houses. In 52.3 per cent cases, the house was given to friends and relatives for staying, 11.2 per cent houses were vacant and in 15.9 cases the houses were used for other purposes. Only one fifth of the beneficiaries used the houses given to them under the IAY.

MWS: Million Wells Scheme also a part of JRY upto 1995-96, has provided 49056 wells to beneficiaries in the state during the period 1988-89 to 1998-99. Between 1990-91 and 1998-99. The achievements have exceeded the targets. However, there is a decline in the physical targets during the same period.

At the district level, time series data on physical and financial achievement of MWS shows that both physical and financial targets have been met satisfactorily. However, resource allocation and physical target show an

increase between 1988-89 and 1994-95 and a decline thereafter upto 1998-99 in almost all the districts. There are inter-district variations in the physical coverage, ranging from 466 wells in Amreli to 18125 wells in Panchmahals during the same period. In all 11 districts account for 87 per cent of the total physical coverage. These districts include Panchmahals with 36 per cent share in the total number of wells. The financial expenditure follows a similar pattern.

This programme was initiated in 1988-89 for the benefit of small and marginal farmers registered under IRDP. The million wells scheme was formulated and implemented initially under RLEGP and NREP and after 1989-90 it was brought under JRY. In 1995-96 the scheme was formulated as an independent programme.

According to an evaluation study made by the Directorate of Evaluation, Government of Gujarat in six districts, of Gujarat, of the 357 open wells and 49 bore wells constructed, 5 open wells and 15 bore wells, which accounts for 1.4 per cent and 30.6 per cent respectively, were unsuccessful. Presence of hard rock was the main reason for the failure of these wells. The labour and material component was in the ratio 65:35. Additional funds were raised by the beneficiaries to the tune of and accounting for 10 per cent of the total expenditure. The sources of additional funds include their savings, borrowings from relatives and moneylenders. Several households sold their ornaments and animals to raise the funds. The scheme has benefited the villagers through wage employment as well as the asset. There was an increase of 26 per cent in the number of beneficiaries using improved seeds and 37 per cent increase in the number of users of chemical fertilizers. The total land under cultivation of the sample was calculated as 730.09 acres. The total area irrigated from the wells was estimated at 341.07 acres accounting for nearly 47 per cent of cultivated land. Number of farmers producing wheat increased from 1.7 per cent to 54.5 per cent of total sample. Similarly gram, mustard and vegetables increased from 0.4, 0.4, 2.6 to 8.2, 10.3, and 19.7 per cent respectively. Employment increased by about 82 per cent from 21550 to 40345 man-days per year. About 45 per cent of the beneficiaries could earn more than Rs.6400 per year. Several families purchased assets, such as, bicycles, radio etc.

In short, if wells are dug in the areas where there is enough ground water, it does help the beneficiaries and their villages. It is to be seen, however, that the withdrawal of ground water is under safe limits and arrangements are made for water recharge.

SEP: The state government initiated this programme to supplement the self-employment and wage employment programmes. At the state level, 87.96 lakh man-days of employment was generated over the eight years

from 1990-91 to 1997-98. The average cost of generating one man-day of employment is Rs.91.97 for the period 1990-98. It has increased from Rs.69.77 in 1990-91 to Rs.168.31 in 1995-96 and subsequently declined to Rs.128.19 in 1997-98. The cost per man-day under SEP has been very high compared to other wage employment programmes, viz. JRY and EAS.

Dangs district has the highest amount of expenditure incurred as well as employment generated under SEP during the period 1990-91 to 1997-98. The total expenditure during this period was Rs.1285.34 lakhs accounting for 17.4 per cent of state total expenditure on SEP. Similarly the employment generated in Dang district was 29.38 lakh man-days and accounted for 33.4 per cent of total employment generated in the state under SEP. Districts of Gandhinagar, Panchmahals and Valsad incurred expenditure in the range of Rs.450 lakh to Rs.650 lakh. The employment generation was in the range of 6 lakh to 9 lakh man-days during the period 1990-98. The expenditure and employment generated in the 14 other districts were much lower. However the time series data for show that much of the achievements is during the period 1990-91 to 1993-94. During 1994-95 to 1997-98, the expenditure has been low and the physical achievement is either nil or negligible. This perhaps indicates the lack of funds with the state government for investing in this programme.

SOCIAL SECURITY

LALGI (Landless Agricultural Labourers Group Insurance): The programme covers all the agricultural labourers in the age group 18 to 60 years. The Government of Gujarat introduced LALGI in 1987-88. Government of India also introduced a similar programme for the landless agricultural labourers during the same year. However, the Central scheme was applicable only if the beneficiary were the head of household. But in the case of the state scheme, it was applicable to all members in the specified age group.

An evaluation study conducted in 1992-93 by the Directorate of Evaluation, Government of Gujarat shows that between 1987-88 and 1992-93, Rs.630.11 lakh were spent towards the financial assistance to 71607 landless agricultural families under the scheme. The average assistance provided is calculated at Rs.880 per beneficiary. The data on expenditure shows an increase from Rs.48 lakh in 1987-88 to Rs.110.94 lakh in 1992-93. The number of beneficiaries also increased from 6583 to 15766 during the same period. According to 1991 Census there are 32.42 lakh landless agricultural workers in the state. It is estimated that 76.5 per cent of them i.e. 24.8 lakh are in the age group 18 to 60 years. The impact of LALGI is extremely small or negligible!

According to a study of 408 households across six districts, there were 240 of the scheme beneficiaries, of these 92 per cent beneficiaries belonged to backward communities.

The effectiveness of the programme is based on the number of cases that have been cleared in the stipulated time. According to the survey there was a substantial delay in submission of applications from village level to AGLO office accounting for 34 per cent of the cases. 10 per cent of the cases dealt by the AGLO were delayed beyond two months. 64 per cent cases were cleared by the LIC within two months, 30 per cent cases in six months and remaining six per cent cases were delayed for more than six months. For want of various documents for proof was the main cause of delay of the 120.

Cases who had not claimed the assistance, 74 per cent were either rejected or were being processed at the time of survey. The rest could not apply due to some or other procedural problems, or due to the lack of support from the administrations.

In short, though some beginning has been made in terms of initiating social security schemes for the poor, the state has a long way to go for providing any meaningful social security to the poor in the state.

Summing up: We have examined the secondary data and received some evaluation studies in this section. As the evaluation studies refer to short term impact, some (though not satisfactory) positive results are emerging. The real test of the impact, however, is in the sustainability of these results in the long run.

Chapter Three

Results of the Primary Survey Village Profile

We now present the results of the primary survey conducted in the selected twelve villages of the state. This chapter presents the profile of the selected villages, while the subsequent chapters, chapter 4 to 7 present the other results of the surveys.

The village profile has been presented in two sections: section one refers to the villages selected for the primary survey and related methods, while section two refers to the villages selected for the Participatory Poverty Assessment.

Villages for the Primary Survey

Sr. No.	District	Taluka	Villages
1.	Banaskantha	Dhanera	Jadia, Ranol
2.	Dahod	Dahod	Nasirpur, Bavka
3.	Bharuch	Jambusar	Limaj, Kansagar

As discussed earlier, we have selected six villages from three districts for in depth study: Kansagar and Limaj from Jambusar taluka of Bharuch district, Nasirpur and Bavka from Dahod taluka of Dahod district, and Ranol and Jadia from Dhanera taluka of Banaskantha district. All the three talukas represent three different situations: Jambusar taluka is a semi-arid taluka located on the seacoast in South Gujarat. It receives around 600 mm of rainfall and is highly uncertain. The taluka suffers from saline and degraded land, which generates low and fluctuating incomes for its agricultural population. Most of the villages of the taluka have poor employment avenues outside agriculture, which forces families to migrate seasonally to distant places in search of work. Kansagar is a remote village, which, is at the bottom in terms of amenities and facilities, while Limaj is well connected with Jambusar town, the taluka head quarter, which is approximately 5 km. away.

Dahod taluka of Dahod district is a tribal taluka. Though it gets good rainfall, 900-1000 mm per year, it is degraded environmentally – with degraded forests and vegetation. It is poor in terms of infrastructural development also. Due to the meager employment avenues within the taluka, there is massive seasonal out migration of people to distant urban centres, like Vadodara, Ahmedabad, Godhara and to irrigated areas where work would be available. Nasirpur is a small remote village of 151

households spread over 3 “falias” (settlements) with poor amenities and facilities, while Bavka is one of the top villages of the taluka in terms of amenities and facilities. It is a large village of about 642 households spread over seven “falias” (settlements).

Dhanera taluka in Banaskantha is not a very prosperous taluka. However, it has good irrigation facilities to support cultivation of cash crops and multiple cropping. Ranol is a small village of 280 households, and is one of the bottom villages in terms of basic amenities and facilities. Jadia is a large village of 776 households, and is one of the top villages in terms of village level amenities and facilities. Both the villages are well irrigated, with the result that farmers take multiple crops.

Socio-Economic Structure of Villages :

Kansagar and Limaj villages of Jambusar taluka are semi-arid villages covered under the Drought Prone Area Programme (DPAP). While Kansagar is a remote village with a fewer amenities and facilities, Limaj is located 5 kilometers away from Jambusar, the taluka head quarter, and therefore has an access to better amenities and facilities of Jambusar as well as to employment opportunities.

The main occupation in Kansagar is agriculture, with 85 percent households engaged in cultivation or agriculture labour (Table 2.1). Since irrigation is negligible and available to only a few large farmers (though it is not much available in droughts), most farmers grow only Kharif crop. They grow Cotton, Jowar and Bajri, and if the season is good grow tuver and wheat. The yields of the crops are low (less than the state average) and fluctuating, resulting, in fluctuating agricultural incomes. The few large farmers (about 20) belonging to muslim community (and a few Patels) own more than 70 percent of the land. They also have an access to outside incomes earned from nearby towns and cities, which enables them to have full control over the village economy and society. Seasonal migration is predominant and about 10 percent families have non-agricultural work in Surat, Bharuch and Vadodara as the main source of income. Migration takes place even from families of large farmers; young boys of these families seasonally get engaged in whitewashing, hawking or petty trading and manufacturing in these cities.

Table 3.1
The Selected Villages: Distribution of Households by Main Occupation

Main Occu- Pation	District/Village													
	Bharuch				Dahod				Banaskantha				Total	
	Kansagar	% to	Limaj	% to	Nasirpur	% to	Bavka	% to	Ranol	% to	Jadia	% to		% to
		Total		Total		Total		Total		Total		Total		Total
1	48	46.15	32	28.07	25	16.56	320	32.26	162	57.86	482	62.11	1069	44.23
2	2	1.92	8	7.02	5	3.31	27	2.72	16	5.71	39	5.03	97	4.01
3	40	38.46	25	21.93	3	1.99	11	1.11	41	14.64	106	13.66	226	9.35
4	12	11.54	28	24.56	106	70.20	470	47.38	31	11.07	23	2.96	670	27.72
5	0	0.00	4	3.51	0	0.00	11	1.11	10	3.57	13	1.68	38	1.57
6	0	0.00	1	0.88	0	0.00	84	8.47	7	2.50	18	2.32	110	4.55
7	1	0.96	1	0.88	6	3.97	44	4.44	1	0.36	43	5.54	96	3.97
8		0.00	2	1.75	0	0.00	10	1.01	1	0.36	5	0.64	18	0.74
9	1	0.96	10	8.77	3	1.99	8	0.81	2	0.71	4	0.52	28	1.16
10		0.00	3	2.63	3	1.99	7	0.71	9	3.21	43	5.54	65	2.69
Total	104	100.00	114	100.00	151	100.00	992	100.00	280	100.00	776	100.00	2417	100.00
BPL Families	94		89		118		914		77		286		1578	
% to Total	90.38		78.07		78.15		92.14		27.50		36.86		65.3	

Codelist

- 1 Self Employment in Agriculture
- 2 Self Employment in Non -Agriculture
- 3 Agricultural Labour
- 4 Non Agricultural Labour
- 5 Rural Artisan
- 6 Animal Husbandry
- 7 Salaried - Government
- 8 Salaried - Organized Sector
- 9 Salaried (Panchayat Office,Coop,Soc. etc.)
- 10 Petty Services

Limaj is marginally better as its population has higher access to non-agricultural employment avenues in Jambusar. The large farmers of Limaj belong to Patel community, who own more than 75 percent of the land. They have diversified income sources which enables them to exploit low caste labourers, usually engaged as chakars⁶ are engaged usually for one year. Chakars are highly indebted, and semi bonded to their employers. About 50 percent of the households in Limaj are engaged in non-agricultural sectors, such as government and semi-government services in Limaj or Jambusar, non-agricultural activities, including small scale industries, in Jambusar as well as local non-farm activities. Since they can commute Jambusar every day, they do not have to migrate for job. However, there are some households who migrate to Surat or Vadodara and Bharuch in search of work.

Rural labourers belonging to low castes, particularly Rathods, and scheduled tribes are the poorest socio-economic groups in these villages. High indebtedness, semi-bonded labour status (i.e. chakars) who borrow from employers for marriages, social functions or sheer survival, become bonded to their employers as they cannot repay the debt which is always counted wrongly. These chakars are not allowed to leave the village by their employers though there are some incidents when they have tried to run away. When caught, they are punished badly.

In short, Kansagar and Limaj are drought prone villages with one season agriculture and poor alternative avenues for employment. The unequal land distribution, with high castes owning the chunk of land, has left the labour households at a great disadvantage.

Nasirpur and Bavka villages of Dahod taluka are tribal villages, with more than 95 percent of the households belonging to the scheduled tribes. Nasirpur is a small village with about 151 households, Bavka is much larger with about 992 households spread over seven "falias" or settlements. Though the percentage of the households with land is significant in both the lakukas, 65 percent and 80 percent of the households, respectively in Nasirpur and Bavka, the main occupation in both the villages is non-agricultural labour, with 70.20 percent households in Nasirpur and 47.38 percent households in Bavka reporting it as their main occupation. This is because of the massive out migration (more than 70 percent of the households have one or more person out migrating) of the people to Vadodara, Godhra, Ahmedabad etc. for non-agricultural work in construction and other unskilled/semiskilled work.

Nasirpur is a small village almost without, any irrigation facility, with the result that farmers cultivate land in only one season, Kharif season and grow paddy, maize or grams. The major income of the most households,

⁶ Chakars – are permanent agricultural labourers.

however, comes from non-agricultural labour performed outside the village. About 18 percent households have agriculture as their main occupation, and 6 percent households have services in government and quasi government offices as their main source of income. Migrant households usually migrate after the Kharif season, and remain outside, with in between visits during festivals, during the rest of the year. It is clear that migration has made it possible for them to feed themselves throughout the year.

Bavka is a much bigger village with better infrastructural facilities and amenities. About 320 households (32.26 percent) earn their main living from agriculture, as about 250 acres of its land (17 percent) is irrigated. Farmers with irrigation grow 2 to 3 crops a year, the major crops being maize, paddy, wheat, vegetables and summer maize. However, in the absence of other employment avenues out migration is common and about 47 percent of the households depend on this income for survival.

In short, both these tribal villages have lack of enough employment as their major problem. Though Bavka has been able to use its water resources, to an extent, and has some advantages of better amenities, the poor in the village are left with no choice but to migrate to distant urban centres and irrigated regions in search of work. Both the villages are drought prone in character.

Ranol and Jadia are located in Dhanera taluka of Banaskantha district in north Gujarat. Ranol is a smaller village with 280 households while Jadia is a large village with 776 households. Agriculture is the main occupation of both these villages, with 68 percent and 77 percent households engaged in agriculture respectively.

Ranol and Jadia both are irrigated villages, the percentage of area under irrigation being about 40 percent in Ranol and almost 100 percent in Jadia. Both villages cultivate in all the three seasons, namely, Kharif, Rabi and Summer seasons. Farmers in Ranol grow jawar, bajri, til, castor, mustered, isabgul, wheat, guwar, vegetables etc. while farmers in Jadia grow castor, mustard, pulses, wheat, jowar and bajri. Though both these villages have better infrastructural facilities, Jadia being a bigger village, has more diversified employment avenues in government and quasi government services, self employment in non agricultural sector and in non agricultural labour (Table P₁). Migration is not very common in these villages though a far households do out migrate in search of work temporarily.

In short, Ranol and Jadia are relatively better off villages with irrigated agriculture and relatively diversified economies.

Village Amenities and Facilities

Table 2 presents data on the availability of the basic amenities and facilities in the villages. The table shows that

1. All the villages have an all weather approach road and a round the year bus service, though Ranol, Kansagar do experience disruption in the bus service during the rainy season. All the villages have electricity for agriculture and for domestic use though no village has streetlights. Jadia has streetlight arrangement (connection), but there are no bulbs fixed to light the streets so far.
2. All the village get drinking water round the year, but except for Kansagar and Limaj of Jambusar taluka, the villages depend on private wells or local arrangements which are not adequate. Private well owners charge high prices for water, taking undue advantage of water shortage. In the case of Bavka, for example, a public well is located in the compound of a VLW, who pockets up to Rs. 60/- per month from the beneficiary households.

Table 3.2 Amenities and Facilities in the Sample Villages

Sr No	Amenities and Facilities	Bharuch		Dahod		Banaskantha	
		Kansagar	Limaj	Nasirpur	Bavka	Ranol	Jadia
1	All weather approach road	Yes	Yes	Yes	Yes	Yes	Yes
2	Bus Service	Yes	Yes	Yes	Yes	Yes	Yes
3	Railway Station (Within 5 Km)	No	Yes	Yes	No	No	Yes
4	Electricity: Domestic use more than 50% Agriculture Street Lights	Yes No No No	Yes Yes No No	Yes Yes Yes No	Yes Yes Yes 50%	Yes Yes Yes No	Yes Yes Yes Yes (yes but no bulbs)
5	Drinking Water Round the Year Source Local Regional Scheme Others	Yes No Yes No	Yes Yes Yes --	Yes Yes -- --	No Yes -- Pvt tubewell	Yes Yes -- Pvt tubewell	Yes -- Yes Pvt tubewell
6	Preprimary School Yes/No Number	Yes 1	Yes 1	Yes 1	Yes 4	Yes 1	Yes 2
	Primary School Yes/No Number	Yes 1	Yes 1	Yes 1	Yes 4	Yes 1	Yes 3

	Secondary School	Yes/No	No	No	No	Yes	No	Yes
		Number	--	--	--	1	--	1
	Higher Secondary School	Yes/No	No	No	No	No	No	No
		Number	--	--	--	--	--	--
	College	Yes/No	No	No	No	No	No	No
		Number	--	--	--	--	--	--
	Other Institutions	Yes/No	No	No	No	No	No	No
		Number	--	--	--	--	--	--
7	Primary Health Centre		No	No	No	No	No	No
	Primary Health Sub Centre		No	No	No	No	No	No
	Family Welfare Centre		No	No	No	No	No	No
	Private Dispensary/hospital		No	No	No	No	No	No
	Others (malaria man's visit)		Yes	Yes	No	Yes	Yes	Yes

Table 3.2 Continued

Sr No	Amenities and Facilities	Bharuch		Dahod		Banaskantha	
		Kansagar	Limaj	Nasirpur	Bavka	Ranol	Jadia
8	Irrigation: Yes / No	No	No	Yes	Yes	Yes	Yes
	% Irrigated land (20%+)	--	--	--	No	Yes	Yes
	Kharif crop	Yes	Yes	Yes	Yes	Yes	Yes
	Rabi crop	No	Yes	Yes	Yes	Yes	Yes
	Summer crop	No	No	No	--	Yes	Yes
9	Flour Mill	Yes	Yes	No	Yes	Yes	Yes
	Number	1	1	--	12	1	2
	Medical shop	No	No	No	No	No	Yes
	Number	--	--	--	--	--	1
	PDS Shop	No	No	No	Yes	Yes	Yes
	Number	--	--	--	2	1	1
	Post Office	No	No	No	Yes	No	Yes
	Sub Post Office	No	No	No	--	No	--
	Police Station	No	No	No	--	No	--
	Police Stand	No	No	No	--	No	--
	Telephone (Public)	1	1	No	Yes	Yes	Yes
	Telephone (Private)	--	--	No	Yes	Yes	Yes
	Television (Public)	--	No	No	Yes	Yes	Yes
	Television (Private)	2	15	Yes	Yes	Yes	Yes

3. All the villages have at least one primary and one pre primary school. Except for Jadia, the government teacher comes from

outside the village and is invariably irregular. Though Jadia and Bavka, the big villages, have a secondary school, the rest of the villages do not have one in the village, with the result that only a few boys (not girls) go to the nearby village to attend the secondary school. Boys from Bavka and Jadia go to nearby towns for higher secondary education and also (a few) for college education. The percentage of literate population is low in all the villages, ranging from 25 percent (Nasirpur) and 30 percent (Kansagar) to 40 percent to 50 percent in rest of the villages. The large villages have a relatively higher level of literacy.

4. Except for Jadia, no other village has either a PHC, or a sub PHC, a family welfare centre or a private doctor/dispensary. A “malaria man” visits these villages, once in 15 days or a month, and gives tablets to patients. Villagers have to travel long distances for other ailments and they travel, depending on their socio-economic condition, mainly when the illness is serious. In Jadia, however, there is a PHC, a family welfare centre, as well as private doctors and dispensaries.
5. As regards the other primary amenities and facilities, all villages have at least one flour mill, a PDS shop within 5 km. Except for Jadia and Bavka, the large villages, no villages has either a post office/sub post office or a police station/sub police station.
6. It is interesting to note that all the villages have at least one public telephone, and Jadia, Bavka and Ranol have private telephone connections also. All the villages have private televisions, though the numbers are not large.

In short, all the selected villages have the minimum amenities, like approach road, bus service, electricity, water supply, pre-primary and primary schools and a ration shop. However, except for Jadia they lack miserably in health services, elementary school and other education facilities, post office, police station etc.

Poverty Status: Village Level Analysis

According to the official sources (the BPL survey), the incidence of poverty is the highest in tribal villages (92.14 percent in Bavka and 78.15 percent in Nasirpur), followed by semi-arid villages (90.38 percent in Kansagar and 78.07 percent in Limaj) and irrigated villages (27.50 percent in Ranol and 36.86 percent in Jadia). These are official data derived from the BPL survey conducted by the Department of Rural Development, Government of Gujarat.

It needs to be added, however, that these lists include several names, which are not found in the villages. We therefore could not trace these households.

The reasons for non-identification were (a) many names were bogus names – such names are not there at all in the villages (villages have not even heard of such names), (b) several names are of those who have left the village permanently, died long ago, who have been married off to distant villages (women), or who are minors and (c) in a very few cases it is possible that we could not meet/identify the household because they have out migrated and were not available during any of our visits to these villages. We observed that the rich to access PAPs have used most of these fictitious names.

In order to understand the ground level realities in these villages, we conducted a family listing in the selected villages to cover (a) all the beneficiary households of PAPs (using the data collected from the taluka office and the records of the talati and the village level worker) and (b) all those households who are likely to be poor (small and marginal farmers, land less labour households, agricultural and rural labour households, rural artisans, as well as households belonging to scheduled castes and scheduled tribes and OBC) and who did not get any benefits of PAPs as per the available records. In many cases it turned out that there were many more beneficiaries than recorded, as we wanted to cover all the households who took benefit of any PAP right from the inception of the programme. While discussing with us, some of the “non beneficiaries” (as per the records) talked about some programmes in which they had participated earlier. Sometimes somebody mentioned about the bank notices received by some of them for pending loans against their names. We soon contacted the banks that served these villages and get the lists of such beneficiaries. Our stay in the village also helped us in getting data about the IAY beneficiaries whose houses are damaged and not in use at present. In short, we made a thorough search in these villages to collect all the information about the beneficiaries of all the PAPs covered by the study.

We also collected data about the exclusion criteria of the BPL survey, that is, households in possession of (a) above 5 acres land, (b) pucca house, (c) TV, refrigerator or two wheeler – scooter, moped etc. three wheelers or electric fan, or (d) a tactor, thresher, power tiller, or other major machinery) as well as the inclusion criteria of the survey to check whether the BPL families identified officially were really poor or not.

Before we discuss the results, it is important to remember that there are two kinds of errors possible here: (1) errors of inclusion of the non-poor in

the BPL list and (2) errors of exclusion of the poor from the list. The exclusion criteria primary help us in identifying the errors of inclusion.

Errors of Inclusion:

A. Possession of Pucca house and the BPL Status: About 16 percent households (171 out of 2025 total households) with a pucca house were BPL listed in the official BPL list, though as per the exclusion criteria they are not BPL households (Table 2.3). As against this 244 households with a pucca house were excluded from the list. Also, 240 households (27.06 percent) with a Kacha house were non-BPL households while 400 households (37.8 percent) with a kacha house were included in the BPL list. Though a household with a kacha house is not necessarily poor, the chances of such households being poor are fairly high.

There are village wise variations in this error of inclusion; the highest inclusion error is in Jadia and Ranol, 21.64 percent and 29.23 percent respectively, while the lowest is in tribal talukas, 11.01 percent in Bavka and 20.2 percent in Nasirpur, mainly because most households are poor here in these villages.

Table 3.3 Village Wise Information on the Number of Houses by Type of House

Table 3.3 Possession of pucca house and the BPL status

Sr. No.	District/ Village	NR BPL	% to Total	BPL	% to Total	Non.BPL	% to Total	Total	% to Total
1	<u>Bharuch</u>	-	-						
	Kansagar								
	Not Reported	4	100.00	0	0.00	0	0.00	4	4.08
	Pucca	0	0.00	9	15.00	4	11.76	13	13.27
	Semi Pucca	0	0.00	6	10.00	3	8.82	9	9.18
	Kachha	0	0.00	45	75.00	27	79.41	72	73.47
	Total	4	100.00	60	100.00	34	100.00	98	100.00
2	Limaj								
	Not Reported	1	100.00	0	0.00		0.00	1	1.27
	Pucca	0	0.00	11	20.00	5	21.74	16	20.25
	Semi Pucca	0	0.00	13	23.64	5	21.74	18	22.78
	Kachha	0	0.00	31	56.36	13	56.52	44	55.70
	Total	1	100.00	55	100.00	23	100.00	79	100.00
1	<u>Dahod</u>	-							
	Nasirpur								
	Not Reported	0	0.00	0	0.00	0	0.00	0	0
	Pucca	0	0.00	15	20.27	4	14.81	19	18.81
	Semi Pucca	0	0.00	29	39.19	6	22.22	35	34.65
	Kachha	0	0.00	30	40.54	17	62.96	47	46.53
	Total	0	0.00	74	100.00	27	100.00	101	100.00
2	Bavka								
	Not Reported	8	14.29		0.00	1	0.37	9	1.04
	Pucca	3	5.36	59	11.01	70	25.74	132	15.28
	Semi Pucca	0	0.00	333	62.13	107	39.34	440	50.93
	Kachha	45	80.36	144	26.87	94	34.56	283	32.75
	Total	56	100.00	536	100.00	272	100.00	864	100.00
1	<u>Banaskantha</u>	-							
	Ranol								
	Not Reported	0	0.00	0	0.00	0	0.00	0	0
	Pucca	7	36.84	19	29.23	42	46.67	68	39.08
	Semi Pucca	7	36.84	12	18.46	40	44.44	59	33.91
	Kachha	5	26.32	34	52.31	8	8.89	47	27.01
	Total	19	100.00	65	100.00	90	100.00	174	100.00
2	Jadia								
	Not Reported	0	0.00	2	0.75	6	1.36	8	1.13
	Pucca	0	0.00	58	21.64	119	26.98	177	24.96
	Semi Pucca	0	0.00	92	34.33	235	53.29	327	46.12
	Kachha	0	0.00	116	43.28	81	18.37	197	27.79
	Total	0	0.00	268	100.00	441	100.00	709	100.00
<u>Total</u>									
	Not Reported	13	16.25	2	0.19	7	0.79	22	1.09
	Pucca	10	12.50	171	16.16	244	27.51	425	20.99
	Semi Pucca	7	8.75	485	45.84	396	44.64	888	43.85
	Kachha	50	62.50	400	37.81	240	27.06	690	34.07
	Total	80	100.00	1058	100.00	887	100.00	2025	100.00

Source: Primary Survey 2000-2001

B. Possession of Consumer Durables and the BPL Status: The other exclusion criteria, namely, possession of consumer durables like fan, television, refrigerator, two wheeler and three wheeler also has not been implemented strictly, though the errors of inclusion has not been very high. The highest leakage is in the case of fan, which seems to be a popular consumption item. About 270 households out of the total 2025 households (13.03 percent) seem to possess this item, and of these 87 or 32.2 percent households are covered under the BPL list (Table 4). To put it differently, 8.22 percent of the BPL households possess at least one electric fan.

Table 3.4 Asset wise Distribution of Families by Consumer Durables

Asset	Bharuch										
		Kansagar					Limaj				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Fan	Yes	0	16	25.00	4	20	0	15	26.79	7	22
	No	0	48	75.00	30	78	0	41	73.21	16	57
	Total	0	64	100	34	98	0	56	100	23	79
Refrigerator	Yes	0	1	1.56	0	1	0	4	7.14	3	7
	No	0	63	98.44	34	97	0	52	92.86	20	72
	Total	0	64	100	34	98	0	56	100	23	79
Three Wheeler	Yes	0	0	0	0	0	0	0	0	1	1
	No	0	64	100	34	98	0	56	100	22	78
	Total	0	64	100	34	98	0	56	100	23	79
TV	Yes	0	1	1.56	1	2	0	7	12.50	4	11
	No	0	63	98.44	33	96	0	49	87.50	19	68
	Total	0	64	100	34	98	0	56	100	23	79
Two Wheeler	Yes	0	1	1.56	0	1	0	5	3.57	3	5
	No	0	63	98.44	34	97	0	54	96.43	20	74
	Total	0	64	100	34	98	0	56	100	23	79

Source: Primary Survey, 2000-2001

Table 3.4. Asset wise Distribution of Families by Consumer Durables- Continued

Asset	Dahod										
	Nasirpur						Bavka				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Fan	Yes	0	1	1.35	1	2	0	0	0	0	0
	No	0	73	98.65	26	99	48	544	100	272	864
	Total	0	74	100	27	101	48	544	100	272	864
Refrigerator	Yes	0	0	0	0	0	0	0	0	3	3
	No	0	74	100	27	101	48	544	100	269	861
	Total	0	74	100	27	101	48	544	100	272	864
Three Wheeler	Yes	0	0	0	0	0	0	1	0.18	3	4
	No	0	74	100	27	101	48	543	99.82	269	860
	Total	0	74	100	27	101	48	544	100	272	864
TV	Yes	0	0	0	1	1	0	1	0.18	20	21
	No	0	74	100	26	100	48	543	99.82	252	843
	Total	0	74	100	27	101	48	544	100	272	864
Two Wheeler	Yes	0	0	0	0	0	1	3	0.55	22	26
	No	0	74	100	27	0	47	541	99.45	250	834
	Total	0	74	100	27	0	48	544	100	272	864

Table 3.4. Asset wise Distribution of Families by Consumer Durables - Continued

Asset	Banaskantha										
	Ranol						Jadia				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Fan	Yes	9	21	32.31	71	101	4	34	12.69	117	155
	No	10	44	67.69	19	73	11	234	87.31	309	554
	Total	19	65	100	90	174	15	268	100	426	709
Refrigerator	Yes	1	0	0	0	1	0	1	0.37	4	5
	No	18	65	100	90	173	15	267	99.63	422	704
	Total	19	65	100	90	174	15	268	100	426	709
Three Wheeler	Yes	1	0	0	0	1	0	2	0.75	1	3
	No	18	65	100	90	173	15	266	99.25	425	707
	Total	19	65	100	90	174	15	268	100	426	710
TV	Yes	2	7	10.77	38	47	1	10	3.73	53	64
	No	17	58	89.23	52	127	14	258	96.27	373	645
	Total	19	65	100	90	174	15	268	100	426	709
Two Wheeler	Yes	2	3	4.62	6	11	0	1	0.37	3	4
	No	17	62	95.38	84	163	15	267	99.63	423	705
	Total	19	65	100	90	174	15	268	100	426	709

Table 3.5. Asset wise Distribution of Families (Agricultural Equipments)

Asset	Bharuch										
	Kansagar						Limaj				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Powertiller	Yes	0	0	0	0	0	0	0	0	0	0
	No	0	64	100	34	98	0	56	100	23	79
	Total	0	64	100	34	98	0	56	100	23	79
Tractor	Yes	0	0	0	0	0	0	0	0	0	0
	No	0	64	100	34	98	0	56	100	23	79
	Total	0	64	100	34	98	0	56	100	23	79
Machinery	Yes	0	2	3.13	0	2	0	2	3.57	0	2
	No	0	62	96.88	34	96	0	54	96.43	23	77
	Total	0	64	100	34	98	0	56	100	23	79
Other Machinery	Yes	0	0	0	0	0	0	0	0	0	0
	No	0	64	100	34	98	0	56	100	23	79
	Total	0	64	100	34	98	0	56	100	23	79
Thresher	Yes	0	0	0	0	0	0	0	0	0	0
	No	0	64	100	34	98	0	56	100	23	79
	Total	0	64	100	34	98	0	56	100	23	79

Source: Primary Survey, 2000-2001

**Table 3.5. Asset wise Distribution of Families (Agricultural Equipments)
Contd.**

Asset	Dahod										
	Nasirpur						Bavka				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Powertiller	Yes	0	0	0	0	0	0	0	0	0	0
	No	0	74	100	27	101	48	544	100	272	864
	Total	0	74	100	27	101	48	544	100	272	864
Tractor	Yes	0	0	0	0	0	0	0	0	1	1
	No	0	74	100	27	101	48	544	100	271	863
	Total	0	74	100	27	101	48	544	100	272	864
Machinery	Yes	0	0	0	0	0	0	9	1.65	6	15
	No	0	74	100	27	101	48	535	98.35	266	849
	Total	0	74	100	27	101	48	544	100	272	864
Other Machinery	Yes	0	0	0	0	0	0	1	0.18	0	1
	No	0	74	100	27	101	48	543	99.82	272	863
	Total	0	74	100	27	101	48	544	100	272	864
Thresher	Yes	0	0	0	0	0	0	0	0	1	1
	No	0	74	100	27	101	48	544	100	271	863
	Total	0	74	100	27	101	48	544	100	272	864

Table 3.5. Asset wise Distribution of Families (Agricultural Equipments) Contd.

Asset	Banaskantha										
		Ranol					Jadia				
		NR	Yes	Yes%	No	Total	NR	Yes	Yes%	No	Total
Powertiller	Yes	0	0	0	1	1	1	6	2.24	29	36
	No	19	65	100	89	173	14	262	97.76	397	673
	Total	19	65	100	90	174	15	268	100	426	709
Tractor	Yes	0	0	0	5	5	1	13	4.85	94	108
	No	19	65	100	85	169	14	255	95.15	332	601
	Total	19	65	100	90	174	15	268	100	426	709
Machinery	Yes	12	31	47.69	26	69	9	83	30.97	302	394
	No	7	34	52.31	64	105	6	185	89.03	124	315
	Total	19	65	100	90	174	15	268	100	426	709
Other Machinery	Yes	0	1	1.54	0	1	0	0	0	11	11
	No	19	64	98.46	90	173	15	268	100	415	698
	Total	19	65	100	90	174	15	268	100	426	709
Thresher	Yes	0	0	0	4	4	1	4	1.49	29	34
	No	19	65	100	86	170	14	264	98.51	397	375
	Total	19	65	100	90	174	15	268	100	426	709

In the case of the other consumer durables the total households possessing these items are very small. It is interesting to observe, that the highest error of inclusion is once again, in Ranol and Jadia, the irrigated villages. About 34 households with at least one fan, 10 households with a TV and 1 household with a refrigerator and 1 with a two wheeler are included in the BPL list of Jadia. Similarly, 21 household with at least one fan, 7 households with a TV and 3 households with a two wheeler are included in the BPL list of Ranol. Bavka and Limaj follow the irrigated villages. It needs to be noted, however, that the leakages are low with respect to consumer durables mainly because there are not many households in the villages that possess these durables.

C. Possession of Production Machinery and the BPL Status:

According to the BPL survey, families possessing a tractor, power tiller, thresher or other such machinery should be excluded from the BPL list. Once again, Jadia leads the error of inclusion. 13 farmers with a tractor, 6 farmers with a power tiller, 4 farmers with a thresher and 83 farmers with other farm machinery are included in the BPL list (Table 5). The numbers are small in terms of percentages (except for farm machinery where 30 percent of the BPL households own the machinery), ranging from 1.4

percent to 5.3 percent. Jadia is followed by Ranol (the other irrigated village) and Bavka (the other big village).

D. Possession of above 5 acres land and the BPL Status: Table 6 presents data on the land holdings of the BPL households. The table shows that 55 large farmers, with more than 5 acres of land are included in the BPL list in these six villages. Though this comes to about 5.13 percent of the total BPL households, these farmers come to 12.3 percent in Jadia, 16.5 percent in Kansagar, and 7.2 percent in Ranol.

**Table 3.6 Distribution of Households by BPL/Non BPL Families Village-wise
By Land Holding**

Sr. No.	District/Village	BPL	Non BPL	NR	Total
1	<u>Bharuch</u>				
	<u>Kansagar</u>				
	MF	7	6	0	13
	SF	19	11	0	30
	OF	10	9	0	19
	LL	28	8	0	36
	Total	64	34	0	98
2	<u>Limaj</u>				
	MF	7	2	0	9
	SF	8	5	0	13
	OF	4	1	0	5
	LL	37	15	0	52
	Total	56	23	0	79
1	<u>Dahod</u>				
	<u>Nasirpur</u>				
	MF	58	16	0	74
	SF	2	3	0	5
	OF	0	2	0	2
	LL	14	6	0	20
	Total	74	27	0	101
2	<u>Bavka</u>				
	MF	436	186	30	652
	SF	73	64	16	153
	OF	3	7	0	10
	LL	32	15	2	49
	Total	544	272	48	864
1	<u>Banaskantha</u>				
	<u>Ranol</u>				
	MF	20	16	4	40
	SF	15	51	7	73

	OF	5	16	2	23
	LL	25	7	6	38
	Total	65	90	19	174
2	<u>Jadia</u>				
	MF	44	55	3	102
	SF	65	107	4	176
	OF	33	195	5	233
	LL	126	69	3	198
	Total	268	426	15	709

Table 3.6. Distribution of Households by BPL/Non BPL Families Village-wise By Land Holding - Continued

Total	MF	572	281	37	890
	SF	182	241	27	450
	OF	55	230	7	292
	LL	262	120	11	393
	Grand Total	1071	872	82	2025

Source: Primary Survey, 2000-2001

On the other hand, however, 281 marginal farmers (31.6 percent of the total marginal farmers) and 241 small farmers (53.5 percent of the total small farmers) are excluded from the BPL list. Though not all small farmers would be poor, all marginal farmers would be more or less poor. In the case of the norm of landholdings, therefore one can say that though the error of inclusion, 5.13 percent, is not very high, the error of exclusion is definitely very high.

To sum up, inclusion of the non-poor in the BPL list is not uncommon. However, it needs to be noted that the exclusion criteria has worked better than the earlier single criteria of consumer expenditure. The leakages are less in most criteria except for fans which perhaps need to be excluded from the list as fans are found even in poor households who access electricity illegally (through throwing wire on the electric wire). In fact, this illegal access was found to be a **major** method of getting electricity in almost all the villages.

Estimating the Incidence of Poverty

Using the multiple criteria, we have estimated the incidence of poverty in six villages: To get a crude estimate of poor households in the six villages, we have identified a household as poor if (a) lives in a kachcha house, (b) has land below 5 acres (c) is below the poverty line, per capita income,

and (d) does not possess any of the items included for identifying the non poor.

Table 3.7. Incidence of Poverty by Different Criteria

District/ Village	Total HH	NSS ¹ (93- 94)	BPL ² Survey	Kacha ³ House	Land ⁴ Holding	Multiple ⁵ Criteria
Bharuch						
Kansagar	104	23.51	94(90.38)	72(69.23)	49(47.11)	40(35.08)
Limaj	114	23.51	89(78.07)	44(38.59)	61(53.50)	38(33.33)
Dahod						
Nasirpur	151	24.12	118(78.15)	47(31.12)	94(62.25)	52(34.43)
Bavka	992	24.12	914(92.14)	281(28.32)	801(80.74)	273(27.52)

Table 3.7. Incidence of Poverty by Different Criteria - Continued

District/ Village	Total HH	NSS ¹ (93- 94)	BPL ² Survey	Kacha ³ House	Land ⁴ Holding	Multiple ⁵ Criteria
Banaskantha						
Ranol	280	20.52	77(27.50)	46(16.42)	78(27.85)	48(17.14)
Jadia	776	20.52	286(36.86)	194(25.00)	300(38.65)	95(12.24)

Note: Figures in the brackets indicate percentages
the official data on poverty

2 – As per the recent BPL Survey

3 – As per our own primary survey

4 – As per our own primary survey

5 our own primary survey – the lude (1) below poverty line

income (less than Rs. 318 per person per month), (2) land holding

between 0 and 5

acres, and (3) kachcha house

Table 7 indicates that the BPL survey gives the highest incidence of poverty, which seems to be highly exaggerated. Poverty estimates based on land holdings rank the next, followed by the estimates of Kachcha house and estimates based on the multiple criteria. The NSS based estimates (1993-94) for all villages is the lowest estimates except for the irrigated villages where the NSS data-base estimates are higher than the multiple criteria estimates. Table 8 gives an estimate of incidence of poverty in the selected villages according to selected indicators namely BPL official data, per capita income, total of landless, small and marginal farmer households, and number of Kachcha households.

Some of the important points emerging from the table can be noted as follows:

1. The BPL survey based estimates have highly overestimated the poverty.
2. The estimates based on land holdings alone do not seem to be adequate because in many cases the income of small/marginal farmers and landless labourers comes from wages earned as migrant workers outside, particularly in the tribal and semi-arid villages.
3. Estimates based on the status of houses do provide good estimates though in tribal areas where stones are available the poor also live in pucca houses. The house status by itself is therefore not adequate as a measure of poverty.
4. The multiple criteria seem to be a good measure of poverty. It would be useful if the list of such households were put up on the board of Gram Panchayat for all to see.

Another important implication here is that the income poverty does not reveal the human poverty or the poverty based on basic needs. The poverty is relatively low in arid and tribal regions because people are able to earn enough to feed themselves by migrating to distant places. However, in the process they are deprived of education, health and social welfare/services available at the village. Migrant workers who migrate seasonally cannot access these facilities anywhere – neither at the origin nor at the destination of migration. However, income poverty data hide these realities.

It needs to be added, however, the BPL list is not the only way for the rich to get the benefited of the PAPs. The benefits of the programmes go to the non-poor in many other ways; some of the popular ways used in the selected villages are described below.

- One such way is of showing sons of large farmers as landless poor. Inclusion of the (OF) large farmers in the BPL list was frequently done through this method,
- Another common methods was bribing the poor by a petty amount and grabbing his benefits. Large farmers many times forced the poor (labourers) to get IRDP assets and then grabbed these. This has been observed in all the villages, more so in Kansagar, Limaj, Jadia and Ranol.
- Use the talati or the village level worker for getting included in the BPL list.

The process of identification of the poor is that the poor have to fill in the forms usually provided by the talati, and more specifically by the peon of the talati. Since there is no Sarpanch, there is no Gram Sabha (if at all it was there in the past), and the administrator is too busy to visit the village regularly. Usually the talati's peon, however, distributed BPL forms and charged Rs. 50/- to Rs. 150/- per household for including them in the BPL lists. We observed that there was almost no exception to this process of identification. Those who could not afford to pay were left out of the list.

Table 3.8 Incidence of Poverty in the Selected Villages According to Different Indicators (Number & %)

District/ Village	BPL Official	Per Capita Income	SF+MF +LL	Kacha House	Total Households
Bharuch					
Kansagar	94	67	79	72	104
%	90.38	64.42	75.96	69.23	100
Limaj	89	53	74	44	114
%	78.07	46.49	64.91	38.6	100
Dahod					
Nasirpur	118	94	99	47	151
%	78.15	62.25	65.56	31.13	100
Bavka	914	727	854	283	992
%	92.14	73.29	86.09	28.53	100
Banaskantha					
Ranol	77	86	161	47	280
%	27.50	30.71	57.50	16.79	100
Jadia	286	236	476	197	776
%	36.85	30.41	61.34	25.39	100
Total					
Total	1578	1263	1753	690	2417
%	65.29	52.25	72.53	28.55	100

Source: Primary Survey, 2000-2001

Participatory Poverty Assessment

Profile of the Selected Villages

Limitations of Conventional Surveys

Conventional surveys of poverty have several limitations, due to which they fail to investigate the issues discussed above. To start with, under these surveys researchers design questionnaires for investigation, based on their knowledge, their hypotheses and their research questions. Consequently, the research areas, which are relevant but not perceived by researchers as important, are missed out. It is possible that research questions, which are important for the poor, are left out, with the result that the constraints, problems or priorities of the poor are also missed out. Secondly, in conventional surveys, respondents are expected to reply to the questions posed by researchers. They are passive participants as there is not much scope for respondents to provide additional information. This information may not fit into the questionnaire, and therefore may be ignored by field investigators. Thirdly, there is no scope for interaction or discussion in conventional surveys, which would enable the poor to understand, analyze and articulate their own problems not perceived by researchers. That is, there is no scope for construction of knowledge by the poor about their own problems, priorities and solutions.

Towards Participatory Assessment of Poverty

Considering the limitations of the top down approach of conventional surveys, researchers looked for alternative methods, mainly participatory methods to learn field realities. The discipline of social anthropology was perhaps the first one to appreciate the need for a bottom up approach for acquiring knowledge at the field level. By living with the subjects of investigation for long periods, and by using participatory observations methods, they conducted rich studies, like villages studies, urban slum studies etc, which have thrown useful light on the life of many different socio-economic groups of the society.

RRA (Rapid Rural Appraisals) and PRAs (Participatory Rural Appraisal) methods were the first set of participatory techniques used by scholars to understand the realities of the poor. This approach tried to avoid both, “the quick and dirty rural development tourism” as well as “the long questionnaire surveys” with the all their limitations. With the expansion of the use of PRA, several techniques were developed, which helped in interacting with the poor and in constructing knowledge about their realities.

Realizing the advantages of PRA techniques, scholars tried to use the same techniques for poverty assessment. The PPA approach was used for two reasons, firstly, to involve poor's participation in poverty assessment as well as in designing and implementing poverty reduction interventions (mainly by NGOs) and secondly to understand ground level realities of poverty (by scholars and researchers). The World Bank conducted national level PPAs in about 60 countries in the world. Though PPAs have been used for both the purposes by researchers and NGOs, the studies by researchers are acquiring more and more importance.

PPAs Not in Isolation

PPAs should not be treated as an independent exercise for any region/villages. It is not very useful as an isolated exercise as the findings of the exercise do not stand independently. The findings are meaningful if they are viewed in the macro perspective of the society by experts who have a fairly good understanding of the economy and the society. In that sense PPAs is "additional knowledge" that answers many questions that cannot be replied other wise. This also implies that the implications of a PPA need not be limited to micro interventions. In fact, such a study is expected to throw useful light on the micro impact of macro policies. The study therefore would be more useful when the micro findings are linked with macro issues in poverty.

At the same time, the study will open up the scene at the micro level for researchers. It will reveal the roots of vulnerability of the poor at the bottom, the causes of their exclusion, their constraints, problems, priorities and their solutions.

The specific objectives behind including this assessment in the study are as follows:

- To learn how the poor perceive their poverty; what are their problems, concerns and their constraints; what are their priorities and their solutions; and how they view the government and its efforts to help them. The study intends to interact with the poor to encourage them to understand their problems; to develop insights into their problems and to arrive at solutions. The study also intends to discuss the implications of the PAPs in terms of policies and programmes for reduction in poverty.
- To infer the implications of the study for policy and strategy for poverty reduction at different levels, and to discuss these with different stakeholders.

For the purpose of selecting villages for PPA, 3 districts were selected, one each from the three region of Gujarat, namely, Saurashtra, Tribal belt and mainland Gujarat. The districts selected are Ahmedabad (mainland Gujarat), Valsad and Dangs (Tribal Gujarat – as Dangs is a small district with only one taluka, we selected one more taluka from Valsad district, which is also a tribal district) and Bhavnagar (Saurashtra). Two talukas were selected from each of the districts, and two villages were selected from each of the selected talukas. In all, 12 more villages were selected for the study, bringing the total number of the selected villages to 18.

Village Profile

Valsad District is a tribal district located in South Gujarat. We selected Umargaon Taluka of the district for the study and identified two villages, namely, Dhanoli and Ahu for PPA.

Dhanoli is situated 2 km away from Bhilad to Zoroli on the National Highway No. 8. The population of the village is 2433 or 425-450 households. Adivasis, belonging to Varli, Dhodi and Halpati are the majority in the village. The others in the village are Ahirs, Muslims, Harijans and Bhavsars. The main occupations of village are agriculture and animal husbandry. Some households are also engaged in petty services and trade.

Though the rainfall is good in the village (1000 + mm), farmers take only one crop as there is not much irrigation to support the second or the third crop. Since there are no other economic activities in the village, about 200 households migrate to different places in search of work. The main destinations of migration are (a) Veraval and Porbandar for working in fisheries, (b) Maharashtra (Khandesh and other nearby districts) for grass cutting or for work on farms, (c) nearby urban centres to work in petty services or wage labour or (d) nearby brick kilns. Since the village is on the highway, there are some trading activities and ancillary activities that provide employment to some locals.

The village has one Anganwadi and one primary school (up to 5th standard). Children go to Bhilad (which is about 5 km away) for secondary school. There is neither a PHC nor a sub PHC in the village. A nurse from the health department visits the village once in 15-30 days (fairly irregularly) for distributing tablets for minor illness.

The village has an approach road and regular bus service. But the paths within the village are unpaved and do not remain usable in the rainy season. Though there is electricity in the village, it is used only by some households.

According to the official estimates, the incidence of BPL families is 78 percent in the village, which is exaggerated.

The main problem of the village is the lack of adequate livelihood opportunities. The other problems are poor health/education facilities, poor infrastructure within the village and massive distressed migration.

In all, about 30 persons have participated in PAPs during the last one and half decades. The self employment beneficiaries belong to non tribal castes, mostly non-poor. Only two tribals households get self employment schemes, but both could not run it successfully. Tribals expressed their need for wage employment within the village. However, in the absence of such employment they are forced to migrate to distant locations.

Ahu is another village of the taluka located 3 km away from Nargol. The village is about 4 km away from the sea coast.

The village has about 325 households and 1240 population. About 85 percent of the population belongs to the scheduled tribes like Varli, Halpati, Mayavanshi etc. In addition there are a few Parsi households and some households belongs to Ahir, Baraiya and Bhaiya communities.

The major economic activity in the village is agriculture and some fishery. Though the village has a good rainfall (1500 mm), there is not much irrigation available. As a result, there is massive migration from the village to distant sea coast for shopping and fisheries, to Maharashtra for grass cutting and to nearby brick kilns or to urban centres for petty services and unskilled work. About 50 percent of the households migrate every year, with or without families.

The village has one Anganwadi and one primary school (up to 6th standard). Children go to Nargol for secondary education. There is neither a PHC nor a sub PHC in the village. A nurse from the health department visits the village irregularly and “distributes tablets for Malaria” People go to “Bhuvras” when sick.

The village has an approach road and fairly frequent bus service. There are a few shops in the village, along with a PDS shop. There is electricity connection, but poor households do not have power in their homes. However, large number of households access electricity illegally.

The incidence of poverty is highly exaggerated: It is 65 percent, which is more than the estimate made by us (32 percent) using the “Wealth Ranking” and “Social Mapping” methods.

The main problem of the poor is inadequate livelihood opportunities. The other problems are high indebtedness, poor access to health and education and their one sided dependence on the rich for employment/wages, for support in crisis, for information etc. The poor are also fond of drinking and gambling, both of which create problems in their life.

The participation of the poor in PAPs is extremely limited, particularly of the poor at the bottom. It was generally felt that they neither receive enough information nor any guidance/support from officials in participating in PAPs. Though there are about 5 households who participated in self employment programmes in the past, the general preference of the poor is for wage employment. Our investigation showed that there is very limited generation of wage employment opportunities in the village.

Dang district is located in South Gujarat, on the southern hills. The villages selected at Bhujad and Kel villages for PPA.

Bhujad village is located in Ahwa taluka (the only taluka of the district) of Dangs. It is a small village of 683 persons.

It is one of the most backward villages of the taluka, without most of the basic amenities and facilities. There is neither a pucca approach road nor any bus service to the village. There is electricity, but it is available only in 10 households of the village. There is no street light, not paving of village roads, no gutter line, and no other infrastructural facility in the village.

There is one Anganwadi and one primary school (up to 4th standard) in the village. However, there is neither an upper primary school nor any secondary school. There is also no PHC or sub PHC in the village. A nurse visits the village, fairly irregularly, 'to give tablets'. People have to go to Kalibel (4 km away) for medical help.

There is a hand pump, which gives water, but it is not reliable as the water dries up in the summer months. People either travel long distances or depend on water tankers for water. There is no PDS shop (people go to Kalibel), no grocery shop or no chemist shop in the village. There is a flourmill in the village.

Agriculture and forestry are the major occupations of the villagers. Crop cultivation, however, is rainfed as there is not irrigation facility available in the village. Farmers grow Nagli, Vari and Paddy in the Kharif season, and migrate thereafter to nearby urban centres, to Maharashtra or to irrigated villages for work.

The poor appear to be fed up with this migration (About 70 percent of the households migrate seasonally), as they are deprived of any stable life. Their main concern is how to make the two ends meet. They have no time for education or welfare, as sheer survival is a major problem. According to the official estimates, the incidence of poverty in the village is 75 %, which seems to be exaggerated. The PAPs are not very popular in the village as most of the people migrate seasonally.

Kel is another village of Ahwa taluka. It is a much smaller village of about 320 population. The village, however, is located close to Ahwa, with the result that it is slightly better in terms of amenities and facilities. The village has an all weather pucca road and a bus service (two times a day) as well as electricity. There are no streetlights or no paving of the village roads. Only about 25 percent of the households have an access to electricity, mostly illegally.

There is a well for drinking water, which provides water supply to the entire village.

There is one Anganwadi and one primary school (up to 5th standard), but no secondary school in the village. There is neither any PHC or sub PHC, nor any private doctor/dispensary in the village. However, a nurse visits the village fairly irregularly to distribute medicines. Villagers are forced to travel to Ahwa for any serious medical help.

There is one PDS shop in the village as well as a flourmill. There are two small shops selling grocery. There are no other shops in the village.

The main occupations of the villagers are agriculture and forestry, though most of the households do not have an access to forests due to government rules and regulations. There is no irrigation facility available in the village, with the result that most farmers grow only one crop, Kharif crop, which includes Nagli, Varai, Udad, Paddy and some pulses. Some households are engaged in government and petty services. There are some artisan households engaged in carpentry, smithy etc.

About 65 to 70 percent of the households migrate to distant places in search of work. Some of the households migrate to the neighbouring Maharashtra state for grass cutting. The official incidence of poverty in the village is 80 %, which is an overestimate as after migration, many are able to avoid starvation. The PAPs are seen as useful, but not very accessible. The poor do not have enough knowledge about the PAPs implemented in the district.

The main concerns of the poor include inadequate livelihood, not enough food to eat and forced migration. "Our life is full of troubles" they say, as

high indebtedness, struggle for survival and distressed migration bother them a lot.

Bhavnagar district is located in Saurashtra, on the sea coast. We selected **Vallabhipur** taluka of the district for PPA. The villages selected are Pipariya and Awania.

Pipariya has about 130 households and 715 population. It is a mixed population in the sense that they belong to different castes like Patel, Rajput, Darbar, Brahmin, Koli Patel, Harijan, Bhangi, Prajapati etc.

The main occupation of the village is agriculture. However, only one crop is grown by most farmers and only 5 percent area is irrigated. The major crops grown are Cotton, Jowar, Bajri, and some Rajko (fodder crop) in Rabi season. The other occupations in the village are animal husbandry, diamond cutting & polishing, petty trade and services and casual unskilled labour in related activities.

The village has an Anganwadi and a primary school up to 6th standard. There is neither a PHC nor a sub PHC in the village. However, a nurse comes to the village once in a 15-30 days to distribute tablets and to provide primary health care.

There is a pucca approach road, but no bus service. People go to nearby Navagam for accessing bus service. The electricity in the village is totally unreliable. Many households access electricity illegally. The facilities like paving of roads, street lights, water tap, gutters are less available in poor localities.

There is no PDS shop in the village. People go to Navagam to buy PDS goods. There is, however, a garage in the village for repairing vehicles. There are 2 "chahakads" (six seater vehicle) and two scooters.

Migration is very common. 50 percent of households migrate, with or without full families. People migrate to irrigated villages, brick kilns, in search of grass and water (Bharwads) or, in search of unskilled labour of any kind.

The BPL list in the village highly exaggerates the population of the poor. A large number of non-poor are included in the list, and some real poor are left out. It was observed that the real BPL households constituted about 21 percent of the total households, while the official list included 45 percent of the households.

So far about 25 households in the village have benefited by self-employment programmes: Mainly in animal husbandry shop and

agriculture. About 20 percent beneficiaries were non-poor. Wage employment programmes have helped the village panchayat in creating some common assets – gutters, panchayat ghar, water pipelines etc. But these programmes also do not seem to be capable of generating enough wage employment for the poor.

The poor do not have much faith in the BPL list. Gram Sabhas do not discuss these lists. In fact, most of the poor do not attend the Gram Sabha as they do not find it very relevant to their life.

Awania is a large village with 2845 population. It has a relatively developed amenities and facilities. It has a pucca approach road with round the year bus services (three times a day). Most of the village roads are paved and most streets are lighted (the poor localities have less facilities). There are two Anganwadis and two primary schools in the village. There is an Ayurved dispensary in the village as well as a private dispensary. In addition, a nurse visits the village once in 15-20 days. Drinking water availability, however, is not there, and the village depends considerably on tankers during the summer.

Agriculture and animal husbandry are the major occupations of the village. About 10 percent of the cultivated area is irrigated and many farmers grow Jowar, Bajra, Wheat, groundnut and pulses on their farms. The other occupations in the village are services – both public and private, diamond cutting & polishing, weaving, trade and petty casual labour.

Major problems of the poor in the village are frequent droughts and crop failure, indebtedness, dependence on the rich, inadequate employment avenues and poor education and skills. The poor want long term relief from droughts (water resources), new employment avenues and regular electricity supply for diamond cutting and polishing.

According to them PAs is not a major solution as these programmes are not easily accessible to them. The BPL list, which is the basis for identifying the poor, is not correct, with the result that the rich and the powerful hijack these programmes. The poor do not have much faith in the government administration also. They consider good administration and commitment to the poor as major positive changes needed for poverty reduction.

The second taluka of **Bhavnagar district**, namely, **Ghogha**, is located near the seacoast. We selected two villages, namely, Waleshpur and Malpar for our PPA exercise.

Waleshpur is a small village with the population of 450. The village has fairly good amenities and facilities. It has a pucca approach road with a

round the year bus service. The village also has electricity with more than 50 percent households enjoying it legally or illegally. The village has some street lights and paved roads, though both these facilities are less in poor areas. The village also has satisfactory supply of drinking water. The village also has a PDS shop, a flour mill and four small shops, including a grocery shop.

There is one private Anganwadi and one government school (up to 5th standard). However, there is no upper primary or secondary schools. Also, there is neither a PHC nor a sub PHC in the village. As elsewhere, a nurse visits this village "to distribute tablets" rather irregularly. People have to travel 6-7 km to reach the nearest hospital.

Agriculture is the main occupation in the village with a good level of irrigation facilities. About 40 percent area is under irrigation. Farmers grow ground nut, Bajri, Jowar, Pulses, Wheat and vegetables (which they sell in nearby urban centre). The other occupations in the village are animal husbandry, poultry, government and private services as well as diamond cutting or polishing.

The major concerns of the poor include access to irrigation and power so that they get work in agriculture or in diamond cutting/polishing. Irregular electricity and low development of non-farm activities are seen as major problems of the poor. Lack of access to medical services is another major problem of the poor.

The poor do not have much faith in the BPL list or in PAPs. Though they would like to use the programmes, only a few households reported that they had taken part in the programmes.

Malpar of **Ghogha taluka** is a much bigger village with about 900+ population. This village also is well endowed in terms of amenities and facilities.

The village has a pucca all weather approach road as well as round the year bus service (3 times a day). The village has electricity used illegally sometimes by the poor as well as non poor. The village roads are paved and there are street lights in the non-poor areas of the village. Also, there is enough drinking water available round the year.

However, there is neither a PDS shop nor a flour mill in the village. There are two grocery shops and two other small shops (tea/pan shops). Villagers have to go out for most of their shopping.

There is one Anganwadi and one primary school (up to 7th standard). However, children have to go out to nearby villages (5-7 km) for

secondary education. Ghogha is the nearest urban centre located 7 kms away from the village. Also, the village has neither a PHC nor a sub PHC. A nurse from the health department visits the village once in 15-30 days. For any serious illness, people travel to Ghogha.

About 25 percent of the cultivated area in the village is irrigated, the main source of irrigation being ground water. The irregular supply of electricity, however, is a major problem, particularly for small farmers who depend on large farmers for water. Farmers grow two crops in a year, Kharif and Rabi crops. They grow ground nut, cotton, Bajri, wheat, pulses, and onions.

The occupation structure of the village is fairly diversified: Apart from agriculture, people are engaged in animal husbandry, trading, services, and petty services.

The poor, however, are not integrated with the growth process fully. Since farmers prefer migrant labour for agricultural work, the local poor are forced to migrate to Ghogha or even to distant urban centres (Bhavnagar) in search of work. The major concerns of the poor include dependence on the rich for almost every thing: employment, wages, water supply (irrigation), agricultural inputs, access to administration etc. The poor cannot even be included in the BPL lists without the approval of the rich. The poor welcome PAPs, but do not have much faith in these programmes as the non-poor are already claiming a lion's share of these programmes.

Ahmedabad district is highly urbanized district of the state, thanks to the location of Ahmedabad, the biggest city, in the district. The talukas of the district, however, are not as prosperous as one would expect. We selected Bavla taluka and Dholka taluka to understand the nature of poverty in this urbanized district. We selected two villages each, namely, Mithapur and Kochariya from Bavla taluka and Andhari and Begva villages from Dholka taluka for conducting PPA.

Mithapur has population of about 1750 persons with 395 households. The major communities residing here are Koli Patel, Patel, Bharward, Rajput, Brahmins and other scheduled castes and "other backwards castes".

The main occupation of the village is agriculture. However, irrigation in the village is limited (25 percent) with irregular supply of electricity. The village, however, has several non-farm activities like government and private services, diamond cutting & polishing, trading, animal husbandry, brick kilns etc. Several persons commute to nearby factories and industries. Since the employment is not adequate, 30 to 50 households migrate temporarily to nearby urban/industrial centres for work.

The village is a relatively prosperous village. There are pucca houses of people belonging to upper castes and prosperous agriculture or business. These houses have good amenities and facilities. However, the poor live in semi-pucca and thatched houses.

Though the village has a good infrastructure in terms of pucca approach road, paved village roads, electricity and water supply, these facilities are meager in the areas where the poor live. There is a primary school and a high school in the village. However, there is neither a PHC nor a sub PHC. A private doctor visits the village once or thrice in a week. There is also a nurse (from the health department) who visits the village fairly irregularly. There is a PDS shop as well as other shops.

One major problem of the poor is lack of enough employment. To start with, due to the limited irrigation facility, not many farmers can take more than one crop. Secondly, diamond cutting/polishing has not remained very stable due to frequent electricity failures. And thirdly, the other employment opportunities are not adequate to meet the demand for work in the village.

Our PPA revealed that so far about 32 persons had accessed self employment programmes in the village. Of these about 30 percent were non-poor. Only about 7-9 beneficiary households reported about the positive impact of the programmes. Wage employment programmes generate highly uneven employment in the village. The long term impact has been in terms of generating some facilities (paving of village roads, open gutters) in the village.

Kochariya has a population of 1905, belonging to different castes, upper, lower and the scheduled castes. The main occupation in the village is agriculture, with about 15 percent irrigation facility. Farmers grow paddy, wheat, jowar and pulses in the different seasons. The other occupations in the village are government and private service, animal husbandry, petty trade and casual unskilled work.

Kochariya is fairly comfortable in terms of amenities and facilities. It has a pucca approach road, a bus service (five times a day), electricity, and paving of village roads. The village has two Anganwadis and one primary school up to 7th standard). However it has neither a PHC nor a sub PHC. A nurse from the department of health visits the village once in 15-30 days, which is far from adequate. Drinking water is in short supply in the village, with the result that the use of water tankers is common during the summer.

According to the poor, shortage of drinking water and poor access in the village. The other major problems are inadequate work; seasonal distressed migration and poor response from the Sarpanch and Talati. It was felt by them that the development administration is corrupt and not concerned about the problems faced by villagers. It was felt by all that the different poverty alleviation programmes of the government have not made much difference to their life. They also felt that the BPL list, which is the basis for the identification of the poor, includes many rich households and excludes genuinely poor households.

The two villages selected from Bavla taluka are Andhari and Begva.

Andhari village of Dholaka taluka is a medium size village with about 850 population. The village is headed by a women sarpanch, Vidyaben. In spite of being in Dholka taluka of Ahmedabad district, the village does not have a good infrastructure. Though the village has an approach road, it gets flooded in the monsoon, with the result that the village cannot enjoy bus service through out the year. In the summer and winter there is a bus service available. There is electricity in the village, but there are no street lights. The village roads are paved, but the roads in poor localities are not. In general, facilities like water tap, paved road, electricity are less in poor localities than in the rest of the village.

There is no Anganwadi in the village at present. However, there is a primary school up to 5th standard. Children go to a near by village (5 km) for secondary education. There is neither a PHC nor a sub PHC in the village. A nurse from the health department visits the village fairly irregularly. Access to drinking water of villagers is limited, particularly in the summer. Women have to travel long distance to the next village for getting water.

There is no PDS shop in the village, and no other shops except for four small shops that sell grocery.

Agriculture is the main occupation of the village, and about 30 percent of the cultivated area is irrigated. The source of irrigation is ground water, from wells and tube wells. The crops grown are paddy, Jowar, Bajri, Wheat, Summer Bajri and Summer Jowar (in small areas). The other occupations in the village are animal husbandry and casual unskilled work whenever available. About 14 households depend on government or private service.

The main problems of the poor are related to livelihood, as not enough employment is available. As a result, about 15 percent of households migrate seasonally/temporarily to irrigated areas or to near by urban

centres for work. The poor also need health services and drinking water very badly.

Begwa is another village of Dholka taluka selected for the study. The village has about 1000+ population. Though the village has a pucca approach road and round the year bus service (10 times a day), it does not have good amenities, particularly in poor areas. Though there is electricity in the village, the poor households do not have a connection. Also, there are no street lights, paving of village roads or gutter facility in the village. Though the village is included in a group water scheme, it does not get assured water supply through out the year.

The village neither has a PDS shop, nor a flourmill nor any grocery shop. Villagers go to a near by village for these facilities. There are two vegetable vendors and two tea/pan shops.

The village has one Anganwadi, one primary school (up to 5th standard), but no secondary school. Children, mostly boys, go to nearby secondary school about 7 km. away. There is neither a PHC nor a sub PHC in the village. A nurse visits the village with some tablets for malaria.

The profile of the selected villages based on the PPA exercises are revealing. It shows that PAPs are not seen as a solution of their poverty by the poor. This is because (a) the past experience with these programmes has not been very positive, (b) there is lot of politics involved in the listing of BPL households and in accessing the programmes and (c) the poor want the administration to improve radically before PAPs are implemented.

Poverty is multi dimensional in the eyes of the poor. Poverty alleviation in the eyes of the poor means better access to basic needs like drinking water, health facilities, education and training, debt relief as well as improved livelihood opportunities.

Chapter Four

Results of the Survey:

Household Profile and Participation in PAPs

This chapter is divided in to two parts : Part one discusses the household profile of the sample, while section two discusses the participation profile of the sample households.

1 Household Profile

We selected a total sample of 1126 households for the primary survey. Of these 676 were beneficiary households and 450 were non-beneficiary households. The selection of the households was done randomly using the family listing data. The village wise sample size by beneficiaries and non-beneficiaries is presented in Table 1. The sample included all the all the beneficiaries and 50 percent of the non-beneficiaries for the primary survey. Since the focus of the study is on poverty, we excluded those households who were rich and who were not in the BPL lists. However, as mentioned earlier, we canvassed a village level schedule and held frequent discussions with the officials, ex-sarpanch and other leaders of the villages to cross check our information.

This chapter describes the household profile and examines their participation in the PAPs..

Table 4.1 Sample Households from the Selected Villages

District/ Village	Beneficiary Households	Non Beneficiary Households	Total Households
Bharuch			
Kansagar	44	8	52
Limaj	55	22	77
Dahod			
Nasirpur	25	48	73
Bavka	149	140	289
Banaskantha			
Ranol	151	9	160
Jadia	252	223	475
Total	676	450	1126

Source: Primary Survey, 2000-2001

Household Size : It is observed that the average family size is the highest in Nasirpur with 7.64 followed by Kansagar with 6.90. Similarly, the lowest average family size is in Limaj with 4.23. Both Kansagar and Nasirpur are comparatively smaller villages, but Nasirpur is a tribal village and Kansagar is a non-tribal village.

Table 4.2 Average Family Size of Sample Households in Selected Villages

Village	Total Households	Total Women	Total Men	Total Girls	Total Boys	Average Family Size
Jadia	475	668	686	495	573	5.11
Ranol	160	259	267	147	147	5.10
Bavaka	289	514	529	330	359	5.99
Nasirpur	73	137	144	129	148	7.64
Limaj	77	109	130	44	44	4.23
Kansagar	52	114	125	56	64	6.90
Total	1126	1801	1881	1201	1335	5.52

Occupational Structure: The occupational structure of each of the household members has been categorized under 13 various items based on household's main occupation. Among the non-beneficiaries, the highest numbers of persons (28%) are self-employed in agriculture. This is followed by household work (19%), and study (19%). About 13 per cent member are self-employed in non-agriculture. The remaining 21 per cent households member are engaged in 9 other occupations. Similarly, in the case of beneficiary households 24 per cent member are employed in agriculture, 22 per cent in household work, and 18 per cent are studying. 14 per cent members are self-employed in non-agriculture. The remaining 22 per cent members are engaged in 9 other occupations. Thus the occupational structure of both beneficiary and non-beneficiary households follow a similar pattern. At the village level, similar trend is observed except in two villages namely nasirpur and Kansagar. In nasirpur households in the marginal farmer category are higher in proportion.

Table 4.3
Distribution of Households by Occupation

Particulars	Unemployed	Self employed in agriculture	Self employed in non-agriculture	Agricultural labourer	Non-agricultural labourer	Rural artisan	Livestock rearing	Regular salaried job	Employment in organised sector	Temporary salaried job	Casual labourer	Household work	Semi-bonded / permanent worker	Studying	Total
Unemployed Self 0	55	7	0	0	0	0	4	0	0	0	4	10	0	4	84
Agriculture 2	11	0	4	1	0	0	0	0	0	0	0	6	0	2	24
Agricul. Labourer 3	116	1	2	71	0	0	3	1	2	2	5	35	0	26	264
Non-agricultural labourer 4	0	0	0	0	1	0	1	0	0	0	0	3	0	1	6
Rural artisan 5	1	0	0	0	0	1	0	0	0	1	0	1	0	2	6
Livestock rearing 6	3	1	0	1	0	0	7	0	0	0	2	13	0	3	30
Regular salaried job 7	57	7	0	0	0	0	0	42	0	4	2	49	0	66	227
Temporary salaried job 9	5	0	0	1	0	0	0	0	0	3	0	2	0	1	12
petty service 11	134	7	0	4	0	0	28	0	0	0	172	111	0	79	535
Casual labourer 12	13	7	0	3	0	0	3	0	0	0	13	20	0	12	71
Household work semi-bonded / permanent 13	9	0	0	0	0	0	0	0	0	0	0	0	2	1	12
Magrinal Farmers 21	178	154	22	3	0	0	18	3	0	3	31	151	0	158	721

	Small Farmers 22	93	90	0	3	0	0	11	1	0	3	6	67	0	80	354
	Large Farmers 23	76	81	0	5	0	0	40	0	0	1	3	50	0	68	324
	Total	752	355	28	92	1	1	115	47	3	17	238	520	2	505	2676
		28	13	1	3	0	0	4	2	0	1	9	19	0	19	100
	Unemployed Self 0	70	5	1	0	0	0	3	1	0	0	6	19	0	9	114
	Agriculture 2	12	1	13	0	0	1	0	0	1	0	0	17	0	21	66
	Agricul. Labourer 3	171	5	1	170	0	0	13	4	1	4	19	99	3	86	576
	Non-agricultural labourer 4	7	0	0	1	3	0	0	0	0	0	0	5	0	2	18
	Rural artisan 5	23	1	1	0	0	16	4	0	0	0	0	10	0	11	66
	Livestock rearing 6	16	0	0	4	0	0	7	1	0	2	3	2	2	5	42
	Regular salaried job 7	21	1	1	2	0	0	3	20	0	2	13	35	0	22	120
ben efici ary	employment in organised sector 8	2	0	0	0	0	0	0	2	1	0	0	1	0	0	6
	Temporary salaried job 9	0	0	0	0	0	0	0	0	0	1	0	3	0	2	6
	Petty service 11	114	12	0	7	0	0	22	0	0	2	204	123	0	85	569
	Casual labourer 12	41	12	0	3	0	1	5	0	0	0	29	60	0	17	168
	Household work semi- bonded 13	15	0	0	3	0	0	0	0	0	0	7	6	12	5	48
	Studying 14	2	0	0	0	0	0	0	0	0	0	0	2	0	2	6
	Magrinal Farmers 21	179	183	22	11	1	2	36	3	1	7	34	192	0	199	870
	Small Farmers 22	217	228	2	16	0	3	42	3	0	6	18	210	1	165	911
	Large Farmers 23	76	139	5	7	0	1	30	2	0	9	12	103	0	83	467
	Total	966	587	46	224	4	24	165	36	4	33	345	887	18	714	4053
		24	14	1	6	0	1	4	1	0	1	9	22	0	18	100

Column Codes	
1	Unemployed
2	Self employed in agriculture
3	Self employed in non-agriculture
4	Agricultural labourer
5	Non-agricultural labourer
6	Rural artisan
7	livestock rearing
8	regular salaried job
9	employment in organised sector
10	temporary salaried job
11	casual labourer
12	household work
13	semi-bonded / permanent worker
14	Studying

Raw Codes	
0	Unemployed
2	Self employed in non-agriculture
3	Agricultural labourer
4	Non-agricultural labourer
5	Rural artisan
6	livestock rearing
7	regular salaried job
8	employment in organised sector
9	temporary salaried job
10	petty services
11	casual labourer
12	household work
13	semi-bonded / permanent worker
14	Studying
15	Others
21	marginal farmer
22	small farmer
23	large farmer

Indebtedness :

It is a well-known fact that the poor are indebted to a large extent. The nature and extent of indebtedness will highlight the severity of poverty. Thus information on loans from formal and informal institutions was obtained for consumption and production purpose from all the sample households. Data reveals that 847 households accounting for 75 per cent of total sample are indebted. Of this 45 per cent of them obtained production loans and 55 per cent, obtained consumption loans. Of the total indebted households, 28 per cent were from non-beneficiary households and 72 per cent from beneficiary households. The consumption loan and production loan obtained by the sample households have been dealt separately in detail.

The amount of consumption loans varied from Rs. 1000 to Rs. 40,000. The highest number of debtors have less than Rs.1000 of loan followed by households in the group Rs. 5000 to Rs.10,000. Across the six sample villages, more than 75 per cent of the households have less than Rs.10,000 of loan. Households in the agricultural labour and casual labour are more indebted than the others. They are followed by households self-employed in agriculture, compared to households in the other occupations. Among the non-beneficiaries, marriage, health care and household expenditure are the main reasons purpose for obtaining loans. While in the case of beneficiaries, marriage and household expenditure are the main purposes. The data on the period of loans show that 38 per cent of the debts are less than three years old. The interest rates of private loans, which are normally taken for consumption purpose, are higher than the institutional rates. From the survey it was observed that the non-beneficiary and the beneficiary households have obtained loans with interest rates in the range of 11 to 50 per cent. Professional moneylender is the major source of loan for consumption purpose in 39 per cent of non-beneficiary and 31 per cent beneficiary households. Similarly, loan obtained from friends and relatives account for 13 per cent and 11 per cent respectively. Households obtaining loan from rich farmers as well as formal financial institutions, account for very small shares. The households obtaining consumption loans is higher in Jadia, Ranol, Bavaka and Nasirpur.

Table 4.4 Distribution of Households by Loan Amount for Consumption and by Occupation

Benf/Non-Benf		Loan Amount							Total	
		0	1	2	3	4	5	6		
non beneficiary	0	2	9	2	2	1	0	0	14	
	2	0	4	0	0	0	0	0	4	
	3	4	25	11	6	1	1	0	44	
	4	0	0	0	1	0	0	0	1	
	5	0	1	0	0	0	0	0	1	
	6	1	3	0	2	0	0	0	5	
	7	1	33	0	3	2	0	0	38	
	OCCFINAL	8	0	1	0	0	0	0	0	1
		9	0	2	0	0	0	0	0	2
		11	0	38	15	22	17	0	0	92
		12	1	10	1	0	1	0	0	12
		13	0	0	0	2	0	0	0	2
		21	3	70	14	19	16	2	0	121
		22	5	44	3	4	7	1	0	59
		23	1	43	3	3	3	2	0	54
Total		18	283	49	64	48	6	0	450	
		%								
		R	4.00%	62.90%	10.90%	14.20%	10.70%	1.30%	0	100.00%
beneficiary	0	1	10	5	4	0	0	0	19	
	2	0	7	0	0	4	0	0	11	
	3	4	38	29	14	14	1	0	96	
	4	0	1	0	2	0	0	0	3	
	5	0	8	0	1	2	0	0	11	
	6	0	5	2	0	0	0	0	7	
	7	0	12	2	0	6	0	0	20	
	OCCFINAL	8	0	1	0	0	0	0	0	1
		9	0	1	0	0	0	0	0	1
		11	0	26	13	30	24	2	0	95
		12	0	17	5	4	2	0	0	28
		13	0	1	4	3	0	0	0	8
		14	0	1	0	0	0	0	0	1
		21	2	84	20	23	14	3	1	145
		22	7	98	15	23	14	2	0	152
	23	1	63	3	5	4	2	1	78	
Total		15	373	98	109	84	10	2	676	
		%								
		R	2.20%	55.20%	14.50%	16.10%	12.40%	1.50%	0.30%	100.00%

Code list

Column code

- 0 Not Applicable
- 1 < Rs.1000
- 2 Rs.1001 - Rs.5000
- 3 Rs.5001 - Rs.10000
- 4 Rs.10001 - Rs.25000
- 5 Rs.25001 - Rs.50000
- 6 > Rs.50000

Row Code

- 0 Unemployed
- 2 Self employed in non-agriculture
- 3 Agricultural labourer
- 4 Non-agricultural labourer
- 5 Rural artisan
- 6 livestock rearing
- 7 regular salaried job
- 8 employment in organised sector
- 9 temporary salaried job
- 10 petty services
- 11 casual labourer
- 12 household work
- 13 semi-bonded / permanent worker
- 14 studying
- 15 others
- 21 marginal farmer
- 22 small farmer
- 23 large farmer

Production loans are taken by both beneficiaries and non beneficiaries, 20 per cent borrowers were non-beneficiary households and 80 per cent were beneficiary households. Households self-employed in agriculture form the highest share of the borrowers of production loans. This trend is observed in 4 out of 6 sample villages. About 85 per cent of households in non-beneficiary and 55 per cent of beneficiary households have borrowed less than Rs. 1000. About 35 per cent of beneficiary households have debts ranging from Rs.1000 to Rs.25,000. Households with debts of more than Rs. 25,000 are observed mainly in two sample villages of Banaskantha district namely Jadia and Ranol. The interest rates for 78 per cent of beneficiary households and 74 per cent of non-beneficiary households vary from 12 to 18 per, cent obtained mainly from institutional sources. Thus it may be inferred that 22 per cent and 26 per cent of

the households borrow at higher rates of interest respectively. It is observed that 79 per cent of non-beneficiary and 83 per cent of beneficiary households borrow from formal institutions namely RRB, Commercial Bank and Cooperative society. It is observed that households self-employed in agriculture usually obtain loans from non-formal sources, namely, moneylender, rich landlords, and relatives / friends.

Crop cultivation, business, irrigation, livestock rearing, milch animals, housing repairs were the main purposes of production loans. About 71 beneficiaries percent account for crop loans followed by 15 per cent for business and 12 per cent for irrigation loans. Similarly, in the case of beneficiary households, 33 per cent account for irrigation, 26 per cent for milch animal. 12 per cent for agriculture and business. Among non-beneficiary households, the farmer category accounts for nearly 80 per cent of total non-beneficiary debtors. The remaining households are self-employed in non-agriculture. About 79 per cent of the non-beneficiaries have obtained loans from the commercial banks, RRB and cooperative societies. Similarly, 83 per cent of beneficiaries have obtained loans from formal sources and 15 per cent from informal sources namely the moneylender and rich farmer.

Table 4.5 Household Distribution by Loan taken(prod) and Occupation – All Villages							
				Family Loan taken(prod)			Total
Benf/Non-Benf				0	1	2	
non beneficiary	OCCFINAL	0		2	3	9	14
		2		0	1	3	4
		3		0	3	41	44
		4		0	0	1	1
		5		0	0	1	1
		6		0	0	5	5
		7		1	0	37	38
		8		0	0	1	1
		9		0	0	2	2
		11		0	2	90	92
		12		0	2	10	12
		13		0	0	2	2
		21		2	16	103	121
		22		6	14	39	59
		23		1	36	17	54
Total				12	77	361	450
		%R		2.70%	17.10%	80.20%	100.00%
beneficiary	OCCFINAL	0		0	10	9	19
		2		0	4	7	11

		3		1	25	70	96
		4		0	0	3	3
		5		0	4	7	11
		6		0	0	7	7
		7		0	10	10	20
		8		0	0	1	1
		9		0	0	1	1
		11		1	35	59	95
		12		0	10	18	28
		13		0	2	6	8
		14		0	0	1	1
		21		1	70	74	145
		22		3	98	51	152
		23		0	37	41	78
		Total		6	305	365	676
Code list							

Column code

- 0 No reply
- 1 Loan taken
- 2 Loan not taken

Loan Repayment Situation: Of the total sample, 6 per cent of non-beneficiaries and 27 per cent of beneficiaries have repaid the loan installments. About 5 per cent of non-beneficiary and 24 per cent of beneficiary households had not repaid the loan installments either partially or completely. Among the non-beneficiary households, decline in agricultural incomes due to droughts and the resulting poor financial condition is the main reason for the non-payment. In case of beneficiary households also decline in incomes due to droughts and poor financial conditions are the main reasons, followed by decline in business income, unemployment problem and high family expenditures.

In short, most households could not repay their loans due to declining agricultural incomes.

Table 4.6 Distribution of Households by Reasons for Non-repayment of Loans

Codes			Distribution of Households by Reasons for Non-repayment of Loans								Total		
			0	1	2	3	4	5	6	7			
	2		4	0	0	0	0	0	0	0	0	4	
	3		43	0	0	1	0	0	0	0	0	44	
	4		1	0	0	0	0	0	0	0	0	1	
	5		1	0	0	0	0	0	0	0	0	1	
	6		5	0	0	0	0	0	0	0	0	5	
	7		38	0	0	0	0	0	0	0	0	38	
	8		1	0	0	0	0	0	0	0	0	1	
	9		2	0	0	0	0	0	0	0	0	2	
	11		92	0	0	0	0	0	0	0	0	92	
	12		12	0	0	0	0	0	0	0	0	12	
	13		2	0	0	0	0	0	0	0	0	2	
	21		121	0	0	0	0	0	0	0	0	121	
	22		58	0	1	0	0	0	0	0	0	59	
	23		44	0	10	1	0	0	0	0	0	54	
	Total		436	0	11	3	0	0	0	0	0	450	
	beneficiary	0		17	1	0	1	1	1	0	0	0	19
		2		10	1	1	0	0	0	0	0	0	11
		3		84	2	6	2	2	0	1	1	96	
		4		3	0	0	0	0	0	0	0	3	
		5		10	0	0	0	0	0	2	0	11	
		6		7	0	0	0	0	0	0	0	7	
		7		17	0	1	0	0	0	2	2	0	20
		8		1	0	0	0	0	0	0	0	0	1
9			1	0	0	0	0	0	0	0	0	1	
11			89	3	1	3	3	0	1	0	95		
12			24	0	1	3	3	0	0	0	28		
13			7	0	0	0	0	0	0	0	1	8	
14			1	0	0	0	0	0	0	0	0	1	
21			134	2	8	4	1	0	1	0	145		
22			120	4	23	6	2	1	5	0	152		
23			71	0	4	3	1	1	1	0	78		
Total		596	13	45	22	13	4	13	2	676			

Column Code

0	Not Applicable
1	Decline in Business Income
2	Decline in Agricultural Income due to drought
3	Financial Condition is not good
4	Unemployment
5	Very High Expenditure on Social function
6	High family Expenditure
7	Were told not to pay

Loan Repayment Possibility:

When asked whether repayment of loans is possible or not, and if so when, about 44 per cent of non-beneficiary and 63 per cent of beneficiary households said that repayment of loans was possible. They said that they would repay after a good agricultural harvest. About 11 per cent of non-beneficiary and 10 per cent of beneficiary households required another 2 to 3 years time to repay the loans. However, 10 per cent of both, non-beneficiary and beneficiary households were confident and willing to repay the loans but were not sure as to when they could do it. There were other responses that they could repay after regular employment was obtained and in a few cases, minimum five years time was required to repay the loan completely, which accounted for a small proportion of the total sample.

Table 4.7 Status of Repayment of Debt

				Status on Repayment of Debt				
Code	Occupation C			Repayment Possible	repay only interest	not even interest	Irregular	Interest and Principal
non beneficiary	OCCFINAL	0		6	1	0	3	2
		2		0	0	0	0	0
		3		18	0	0	4	17
		4		1	0	0	1	0
		5		0	0	0	0	0
		6		2	1	0	0	0
		7		5	0	0	3	3
		8		0	0	0	0	0
		9		0	0	0	0	0
		11		54	2	1	18	37
		12		3	1	0	2	1
		13		2	0	0	0	2
		21		63	8	7	34	40
		22		21	0	1	7	20
		23		19	0	1	9	8
Total				194	13	10	81	130
beneficiary	OCCFINAL	0		13	1	5	6	6
		2		4	0	0	2	2
		3		54	7	5	21	23
		4		2	1	0	2	1
		5		4	1	0	2	2
		6		3	0	0	0	1
		7		9	0	0	4	6
		8		0	0	0	0	0
		9		0	0	0	0	0
		11		66	11	2	35	42
		12		15	3	2	7	4
		13		8	0	0	0	1
		14		0	0	0	0	0
		21		75	18	5	29	44
		22		87	23	4	35	44
23		26	4	0	8	14		
Total				366	69	23	151	190

Code list

Row Code	
0	Unemployed
2	Self employed in non-agriculture
3	Agricultural labourer
4	Non-agricultural labourer
5	Rural artisan
6	livestock rearing
7	regular salaried job
8	employment in organised sector
9	temporary salaried job
10	petty services
11	casual labourer
12	household work
13	semi-bonded / permanent worker
14	studying
15	others
21	marginal farmer
22	small farmer
23	Large farmer

The repayment issue was probed a little more: to what extent the households could repay. Four types of answers were received namely only interest could be paid, both interest and principal could be paid, payment could be made but irregularly and lastly even interest could not be paid. The survey results show that 3 per cent of non-beneficiary and 10 per cent of beneficiary households could pay only the interest amount. These were marginal farmers (61.5%) from the non-beneficiary households and agricultural labour (10%), casual labour (16%), marginal farmers (26%) and small farmers (33%) from beneficiary households.

About 29 per cent of non-beneficiary households and 28 per cent of beneficiary households could afford to repay both interest as well as the principal amount. These included agricultural labour (13%), casual labour (29%), marginal farmer (31%) and small farmers (13%) from non-beneficiary households and agricultural labour (12%), casual labour (22%), marginal farmer (23%) and small farmers (23%) of the beneficiary households.

About 12 per cent of non-beneficiary households and 22 per cent of beneficiary households said that they were in a position to repay the amount but irregularly.

These households included two categories of non-beneficiary households, namely casual labour (22%) and marginal farmer (42%) and four categories of beneficiary households, namely agricultural labour (14%), casual labour (23%), marginal farmers (19%), and small farmers (23%).

Only a very small proportion of the total sample (2 per cent in the non-beneficiary households and 3 per cent in beneficiary households) could not pay even the interest part of the loan. Lack of income from the asset, and agriculture due to the droughts are the main reasons for the inability to repay the loan.

In short, there is a willingness on the part of the borrowers to repay loans.

Assets of the Poor:

Land holding: About 24 per cent of total sample households are landless, 37 per cent are marginal farmers and the remaining 39 per cent are small and large farmers. The status of land ownership shows that out of the 76 per cent landed household, 72 per cent have own land and use completely for cultivation. Households who have leased in land account for 2 per cent and another 2 per cent account for those who have either leased out or mortgaged the land. Surprisingly, the proportion of small farmers is 30 per cent and that of land less is 21 per cent among the beneficiary households, while among the non-beneficiaries about 30% are landless and 17% are beneficiaries. This reflects the leakages in the selection of beneficiaries.

Other Assets : Assets possessed by households is categorized as consumer assets and capital assets. The consumer assets refer to the consumer goods such as television sets, radio, and fans, etc., and capital assets refer to capital goods such as tractor, trailer, shop, godown, etc. The nature and distribution of households by possession of assets is described below.

Consumer Assets :

- About 5 per cent of non-beneficiary and less than 4 per cent of non-beneficiary households owned TV sets. It was mainly households in the salaried group and self-employed in agriculture owned TV sets. TV sets were relatively more in Jadia, Ranol and Limaj.
- Only one non-beneficiary and three beneficiary households owned a refrigerator. The non-beneficiary households are self-employed in non-agriculture. The beneficiary households belong to salaried category, agricultural labourer and small farmer category respectively.

- About 46 per cent of non-beneficiary and 54 per cent of beneficiary households possessed wristwatch and clock. These households are salaried, self employed in non-agriculture and farming households.
- About 7 per cent of non-beneficiary and 12 per cent of beneficiary households owned furniture. More than half of them possessed 3 to 4 items. Among the non-beneficiary households, the ones in salaried category and small and large farmer category possessed furniture.
- Fan, which is also an indicator used for determining poverty status, is a necessity in many parts of Gujarat. It is observed that 31 per cent of non-beneficiary and 35 per cent of beneficiary households possess electric fans.
- About 27 per cent of non-beneficiary and 19 per cent of beneficiary households possessed bicycles. Only one sample household in ranol village, across all six villages was observed to own a telephone.
- Three households belonging to beneficiary category possessed four wheeler vehicles. All the three sample households belong to Jadia village. The vehicle is used as a mode of transportation between their houses situated inside the farm and the village.
- Two wheeler vehicles are owned by 3 per cent of the total sample, in both beneficiary and non-beneficiary categories.
- The value of all the assets discussed above, were estimated. It was found that 42 per cent of non-beneficiary and 43 per cent of beneficiary households had less than Rs.5000 worth of consumer items.
- It was observed that the irrigated villages of Jadia and Ranol and the relatively large village, Limaj have higher level of asset formation as compared to the other villages. The households in tribal region of Panchmahal and Dahod have minimum consumer assets.

Capital Assets:

- Two households, one beneficiary and one non-beneficiary, were observed to own a factory each. Both these households belong to Jadia village. There are 8 households owning godowns of which 5 households are self-employed in agriculture, 2 in agricultural labour and 1 in non-agricultural labour category.
- Information on larger vehicles namely, truck, trailer and tractor reveals that only one household from the total sample, belonging to Ranol village, owns a truck. Two per cent of non-beneficiary and 1 per cent of

beneficiary households own trailers. These households are located in Jadia and Ranol and belong to small and large farmer categories. Similarly 4 per cent of both beneficiary and non-beneficiary households own tractors. The households owning tractors are also located in Jadia and Ranol, the irrigated villages.

- Electric motor was the most widely used machinery accounting for 18 per cent of non-beneficiary households and 25 per cent of beneficiary households. The electric motor is used mainly for irrigation purpose. Flourmill, carpentry tools, molding machine, thresher, oil engine and sewing machine are the other important machinery owned by the sample households.
- It was observed that, 2.5 per cent of non-beneficiary and about 4 per cent of beneficiary households own shops. Households with shop business are located in Jadia and Ranol.
- Other capital assets include animal shed, agricultural equipment, cart, sewing machine, etc., which are owned by 4 per cent non-beneficiaries and 5 per cent beneficiary households. More than 50 per cent of these assets are owned by farming households. Ploughs are owned by 41 per cent of beneficiary and 31 per cent of non-beneficiary households. These households belong to salaried job, or small and large farmer categories. These households are located mainly in Jadia, Ranol, Bavaka and Nasirpur.

The value of fixed assets discussed above was estimated. It was found that 60 per cent of both beneficiaries and non-beneficiaries owned fixed assets of the value less than Rs. 10,000. Similarly 19 per cent beneficiaries and 12 per cent non-beneficiaries owned fixed assets worth more than Rs.10,000. According to occupation categories, households employed in non-agriculture, salaried job, and small and large farmers own these assets.

Public Distribution System (PDS)

Public distribution system is considered a poverty alleviation programme especially in the post-economic reform period. The main drawback of PDS in the rural areas is the identification of the beneficiaries. Access to food grains through PDS is based on the availability of ration cards. Our survey data reveal that 97 per cent of non-beneficiary households and beneficiary households have obtained a ration card. However, only 91 per cent of non-beneficiary and 88 per cent of beneficiary households have names of all members included in the ration card. Items of not good quality and economic inaccessibility, followed by, ration card having lost and items not available are the main reasons for the irregular

purchase by the beneficiaries and non-beneficiary households. The poor coverage was observed in all the villages, but more in tribal villages.

Our study shows that the Public Distribution System is an important support to the poor though the poor do not or cannot buy goods regularly from these shops. All the six villages have a PDS shops in the village or within 5 km. of the village. About 40 percent to 60 percent households buy food grains from these shops on a regular basis. The reasons for not buying from these shops are –

- There is no cash to buy grains
- There is no supply with the shop
- One has to take many rounds of the shop to buy grains – there is not time for that
- It is not possible to buy grains when the family migrates outside
- The ration card does not include the names of all family members, and it is expensive to pay bribe to get all the names entered (About 60 percent of the families did not have all the names on the ration cards),
- The ration cards are mortgaged with shop keepers, and
- The quality of grains is not good.

We also observed that ration shops in the tribal villages charged for the free grains that the shops were supposed to give free to people during the droughts. Also, the shops also did not give full 20 kg food grains per girl child to the families that sent their daughters to school. Many families received only 10 kg – 15 kg of grains. The shopkeepers receive supplies for all the households, including the households that migrate out. They sell off these surplus grains as well as the grains that they hide from people to the open market. This behaviour of the PDS shopkeeper is not surprising if one considers the power structure in the villages that leaves the poor power less and dependent. It was observed that the need for PDS is the highest in Panchmahal and Dahod districts due to the lack of adequate food production.

Health Care

Information on health care has been analysed in two ways. First, by examining the preference of household members for the source of health care, and second by examining the facilities provided by the government for primary health care. There are mainly three sources of health care in the rural areas, government primary health centre, private clinics and home made medicines. Information on the source of health care shows that 83 per cent of the households visit government primary health centres during illness. However, 41 per cent of non-beneficiary and 50 per cent of beneficiary households visit private clinics for care. Also about, 55 per cent of non-beneficiary and 37 per cent of beneficiary households depend on home made medicines, and about 26 per cent of non-beneficiary and 20 per cent of beneficiary households depend on other sources of health care.

However, households opt for more than one source of medical care. In Ranol and Limaj households depend mainly on private health care as compared to other villages.

The effectiveness of government health care has been analysed by examining the various facilities such as availability of doctors, nurses and other staff, medicines, etc., and their regularity. The survey data shows that there is a primary health care in three out of the six selected villages and the residents of the concerned villages have complete awareness of it. 94 per cent of both beneficiary and non-beneficiary households mentioned that the doctor was usually available at the PHC though the timings were not regular. In jadia households use other sources of care such as private clinics and home made medicines. In Ranol and Bavaka the PHC is far away from the settlement area and hence People are not completely aware of the availability and regularity of the staff and medicines at the PHC.

Education

Anganwadi: The households are aware of the number of anganwadi centers in the village. It is observed that smaller villages namely Limaj, kansagar and Nasirpur have one Anganwadi each located in the village. Ranol has two anganwadi centers. Bavaka and jadia, which are comparatively bigger villages, have 3 anganwadi centers. It is observed that 45 per cent of non-beneficiary households and 49 per cent of beneficiary households send their children to anganwadi centers. In Jadia, Nasirpur and Bavaka about 45 to 60 per cent of total households and their children to schools. This percentage is 30 to 45 in the other three villages.

School : About 56 per cent of non-beneficiary households and 52 per cent of beneficiary households send their children to school. It was observed that 16 percent of non-beneficiary households and 15 per cent of beneficiary households did not send children to school, as education usual was not seen as in life. About 10 per cent of non-beneficiary households and 15 per cent of beneficiary households did not send children to school as they were used for housework, and about 15 per cent of non-beneficiary households and 12 per cent of beneficiary households felt that their children's income would stop if they sent them to school. About 20 per cent of non-beneficiary households and 18 per cent of beneficiary households reported that they could not afford sending their children to school.

Participation of Households in Different Organizations :

- **Grama Panchayat:** Only 6 households had a membership in the grama panchayat, of which two were from non-beneficiary sample and 4 from beneficiary sample.

- Mahila Mandal: Only one household had a member in the local Mahila Mandal (Bavaka village), as there was an NGO working in the village.
- Credit Groups: In all 10 household members were observed to have membership in credit groups 6 non-beneficiary and 4 beneficiary households. These households belonged to different occupation groups.

Awareness About PAPs:

Poverty Alleviation programmes can be successfully implemented only if the poor are aware of the programmes and the delivery machinery. The households were asked whether they knew the names of the concerned officials who are responsible to implement the PAPs, whether they knew the names of officials, whether they had met the officials, requested taken for any help and received help. The data shows that more than 75 per cent of non-beneficiary and 90 per cent of beneficiary households knew the names of the talati and sarpanch only. The Grama sevak, who is also a village level worker was know to only 35 per cent of both beneficiary and non-beneficiary households. Talati is the revenue official, and the sarpanch is the elected head of the village and hence they are known to most of the people at the village level. Gram sevak is in charge of executing development programmes at the village level, and in principle he should meet the prospective beneficiaries, educate them on the various government programmes and facilitate the implementation. However, in practice he is known to smaller section of the society. In case of the members of cooperative society, bank, taluka panchayat, Zilla panchayat, legislative assembly and parliament etc, it was observed that they were known to negligible proportion of the people.

To sum up, the household profile of the BPL households and the poor households indicates that the leakage of the PAPs to non- beneficiaries is very high. Even the exclusion criteria used for identifying the poor are not implemented satisfactorily. Also, the general pictures of the beneficiary and non-beneficiary households do not differ significantly. Both the households suffer from indebtedness, poor access to health and educational facilities and poor participation in village level organizations. The data (appendices), however do indicate that the deprivation is higher for the occupations like landless laborers, casual labour, artisans and small and marginal farmers.

Participation of Households in PAPs

The sample households provided information on the number of programmes and schemes taken up by them in the last 20 years. They also provided information about the impact of the programmes in terms of changes in income, employment, training and assets created. The households also reported about the problems and perceptions regarding implementation of the programmes and made suggestions for improvement.

Table 4.8 Participation in Poverty Alleviation Programmes

District/ Village	Self Emplo y. Program	Wage- Employ. Program.	IAY	Watershe d Develop. Program.	Social Securit y	Total Beneficiar y	Total House Holds who received at least one program.
Bharuch							
Kansagar	22	28	18	--	--	68	44
Limaj	69	10	20	--	--	99	55
Dahod							
Nasirpur	11	1	17	--	--	29	25
Bavka	73	29	54	--	--	157	149
Banaskantha							
Ranol	78	4	49	100	1	232	151
Jadia	96	23	94	44	3	260	252
Total	349	95	252	144	4	845	676

Source: Primary Survey, 2000-2001

Table 4.1 indicates that even the remote villages have received some benefits of PAPs during the last two decades. In Nasirpur, the small remote village in Dahod, only 29 persons belonging to 26 households have received benefits. In Jadia about 260 persons of 250 households have received the benefits of the PAPs so far. The most popular scheme has been the loan cum subsidy self-employment programme, followed by IAY, wage employment programme and watershed development programme. The least popular programme is social security programme, which has benefited only 4 persons in the two irrigated villages!

The overall picture suggests that the low scale and the scattered sporadic implementation of these programmes in these villages, particularly the social security programmes and the wage employment programmes, is a highly disappointing matter. The discussion is divided into five sections namely'

programmes participated, schemes participated, impact of the programme, problems and suggestions, and problems of non-beneficiaries.

Programmes Participated

According to the survey, IRDP (54%), IAY and other housing schemes (37%), and WSD (21%) were observed to be most sought after programmes. The other important programmes such as JRY (5.1%), relief work (8.7%), and MWS (1.3%) account for a comparatively smaller share. There are three reasons for the lower share in wage employment programmes. Firstly, the wage employment programmes are thinly spread over a vast geographical area. In other words, they caters to a small section of the society for a short period. Secondly, the wage employment programmes are not implemented consistently as compared to self-employment programmes. And thirdly, some beneficiaries were perhaps missed out in our survey that covers 15-20 years.

Schemes Participated

There are totally 30 identified schemes, which have been implemented through various poverty alleviation programmes. The assets obtained may be on loan or free of cost, depending on the nature of the programme and the target groups. For instance, to obtain assets such wells under MWS, house under IAY, SAY and HAY or monthly pension under the widow pension scheme are not expected to have any cost. The remaining assets are under loan schemes. The details are as given in the table below.

Type of Programme	Type of Scheme	Number of Schemes
Self-employment	Livestock	6
Self-employment	Agriculture	6
Self-employment	Agricultural Processing	3
Wage Employment	Watershed development, Land development	2
Social security	Pension scheme	2
Wage Employment	Housing	2
Self Employment	Non-farm activities / Business	9

Impact of the Programme

The impact of the programme has been analysed using four indicators namely income, employment, training and the assets created. Assessments of the

programmes have been made based on the number of households reporting an increase in any of the indicators. The details of the impact on each of the indicators are explained in detail in chapter five and chapter six.

In all, only 28 per cent of the beneficiary households reported an increase in income as an impact of the programme. The distribution by occupations shows that agricultural labour, casual labour, marginal and small farmer households and other farmer account for more than 75 per cent of total beneficiaries, located mainly in Ranol, Bavaka and Jadia. No household members in the total sample have undergone any training related to employment through the poverty alleviation programme.

The impact of the programmes on employment is divided into two types namely short-term and long-term impact. Increases in short-term employment 74 per cent of the beneficiaries were benefited. The households belong to mainly Jadia, Ranol, Bavaka and Kansagar. 15 per cent of total beneficiaries had obtained long-term employment. The long-term employment refers to semi-bonded labour and / or permanent worker. The households are located mainly in Ranol, Bavaka, and Limaj. The fourth indicator is the asset created by the beneficiary. Data shows that 27 per cent of the total beneficiaries have been able to create tangible asset through the programmes. The beneficiaries, mainly from agricultural labour, casual labour, marginal farmer and small farmer households are located in Ranol, Bavaka and Limaj. The assets include house constructed under IAY or SAY.

Problems, Perception and Suggestions

Participation of BPL families in the poverty alleviation programme is usually a cumbersome procedure, from obtaining the application form to its approval. Various certificates from several officials have to be obtained. This involves meeting several relevant officials and extensive travel to the village, taluka and district headquarters. It also results in loss of employment / income in several cases. From the survey 9 per cent of non-beneficiary households and 46 per cent beneficiary households have mentioned that they were required to make several trips to government office at the village/taluka/district level. Even after such trips, 3 per cent non- beneficiary households and 42 per cent beneficiaries did not get proper help from the talati or gram sevak on time. Similarly 2 per cent non-beneficiary households and 56 per cent beneficiary households required certificates to be attached to the application form. Bank is an important stakeholder in the poverty alleviation programme, in providing loans to the beneficiary. 1 per cent of non- beneficiary households and 43 per cent beneficiary households could not obtain information from the bank officials.

Opinion on Usefulness of the Programme:

In the total sample, 80 per cent beneficiary households found the programme to be useful and 11 per cent of beneficiary households felt that the programmes were partially useful. A small percentage accounting for 2 per cent beneficiary households found the programmes not to be useful and incurred loss. The non-beneficiary households also gave a general opinion about the programmes. Thus, 55 per cent of non-beneficiary households felt that the programmes were useful. Similarly 18 per cent households opined partially useful, and 7 per cent as not useful. The usefulness of the programmes was different for different people.

Opinion on Continuation of Programmes:

Feedback on the programmes was obtained from the households on whether the programmes could be continued or stopped. 38 per cent of non-beneficiary households and 60 per cent of beneficiary households felt that all existing programmes could continue. 37 per cent of non-beneficiary households and 38 per cent of beneficiary households said that some selected programmes should be stopped, and the remaining households felt that all the programmes should be stopped, as they did not help in improving the poverty situation.

Suggestions:

Various suggestions were also made by the households to make PAP more effective. The important suggestions were that complete information about the programmes must be provided, and the processing of applications should be speeded up and simplified. The people preferred the programmes to be related to agriculture. There was a regional factor in the preference of the type of employment. For instance, Jadia and Ranol in Banaskantha district, which has comparatively more irrigation preferred agriculture oriented employment. In Bavaka and Nasirpur villages of Dahod district, preferred wage employment programmes, especially to improve the water situation in the region. In Limaj and Kansagar of Bharuch district the response was for both self-employment and wage employment, which mainly aimed at improvement of land and water. Overall, the households emphasized that programmes should ensure long term and guaranteed employment that could control poverty.

Non-Beneficiaries: Problems, Programmes to participate and Reasons

In assessing the impact of the programmes, the study also probes into the various problems of non-beneficiaries. The main issues are reasons for non-participation in PAP, programmes they wish to participate and reasons for their participation, and the efforts they had made to participate in the poverty alleviation programmes.

Reasons for Non-participation:

- First and foremost condition to get any assistance under PAP is that persons' names must be included in the *BPL family list*. The Department of Rural Development of the state government prepares the list. The survey data shows that 54 per cent of non-beneficiary households had their names in the list. These households are from agricultural labour (15%), casual labour (27%), marginal farmer (34%), small farmer (9%)
- The awareness on BPL family list has been very low. In the total sample, only 13 per cent beneficiary households and 11 per cent non-beneficiary households had information regarding preparation of BPL family list. It was mainly the households of salaried job (45%), casual labour (14%), and marginal farmer (26%) in the non-beneficiary category. In the beneficiary households, casual labour (16%), marginal farmer (26%), small farmer (19%), and large farmer (12%) had information on BPL family list preparation.
- During the survey 43 per cent of the non-beneficiary households belonging to agricultural labour, casual labour, marginal farmer and small farmer categories, informed that they had made efforts to include their names in the BPL family list, but could not succeed. Lack of adequate information, and inability to influence the concerned authorities were the two major reasons for this. The households said that they had met the Grama Sevak, Talati, Sarpanch and other influential persons in the village in order to get their name included in the BPL family list.
- Families living below the poverty line are expected to be selected in the Grama Sabha as per the stipulated procedure. However the data show that only 15 per cent of non-beneficiary households and 20 per cent of beneficiary households had ever attended Grama Sabha! They belong to agricultural labour (9%), salaried group (11%), casual labour (27%), marginal farmer (18%), and large farmer (21%). Only 3 per cent of non-beneficiary households and 9 per cent of beneficiary households from Jadia, Ranol and Bavaka villages mentioned that BPL family listing was on the agenda of the meeting and was discussed also. Obviously BPL lists are not usually finalized in Gram Sabhas. The percentage of households who attended Grams Sabha in Limaj and Nasirpur accounted for a negligible proportion compared to other four villages.

Information on poverty alleviation programmes:

Even though the household names are included in the BPL family list, households do not have information on PAPs. Hence they are not able to participate effectively. In the sample 82 per cent households had some information on programmes related to housing, self-employment, relief work, and irrigation wells. Though the households did not know the names of the

programmes specifically, but had idea about the nature of the programmes. For instance, they were aware of housing scheme and that a house would be provided free of cost with labour input to be provided. Similarly, under self-employment, they knew that loans are available for buffalos, sheep, bullock-cart, etc. There are mainly 9 identified sources of information.

Percentage of Households Accessing Information on PAP by Source

Source	Non-beneficiaries	Beneficiaries
Sarpanch	49	58
Relatives	16	15
Neighbour	5	4
Talati	36	42
Group meeting	4	3
Grama sevak	7	10
Educated persons	29	25
Friends	12	11
Others	5	2

Thus it is seen that sarpanch, talati, educated persons, and friends and relatives were the main sources of information. It is also seen here that grama sevak who is the important person at the village level regarding development programmes is not very useful for providing information.

Participating in the poverty alleviation programme involves several procedures including adding one's name in the BPL family list, collecting basic information about the programme, obtaining the application form and submitting the same duly filled along with necessary documents. Since most of the BPL family households are illiterate and ill informed, they require help at every stage of the process. However, this help is not available easily. As the following table shows, the difficulties are faced at every stage.

Percentage of Households Facing Difficulty in PAP Procedures

Nature of Problem	Non-Beneficiary	Beneficiary
Procedural delay	7	22
Officer's help	20	46
No forms available	8	5
Filling up forms	4	2.5
Certificate	10	21
Bank	3	8
Application form rejected	6	5
Others	12	15

Participation and Reasons: During the survey we tried to find out from the non-beneficiaries on their interests in the poverty alleviation programmes. It was observed that 67 per cent of the non-beneficiary households wished to

participate in any of the programmes. Similarly 71 per cent of old beneficiary households were also interested to participate again. Among the non-beneficiaries, agricultural labour, casual labour, marginal farmer, and small farmer households were eager to obtain any of the PAPs. In the case of beneficiaries, all categories of households except those employed in organised sector, had shown interest in participating in any of the programmes.

Summing up: In summary, the programmes have shown a very limited long term impact on income, employment, and assets of the beneficiary households. The self-employment programmes, though have created an impact on income, employment and assets, the sustainability of these three indicators is a matter of concern. There has been a lack of awareness regarding the importance of training especially for self-employment programmes.

Wage employment programmes also have made a very limited long term impact in terms of providing employment to the poor! It is interesting to note that the programmes have benefited only 95 households in these villages! This is because, (1) many times the sarpanch employs contractors who employ contract labourers or who himself becomes a contractor and employs outsiders, (2) There are so many takers of unskilled wage work in most villages that even non-BPL families take up this work. It was observed that numbers of large farmer households also are interested in doing this work in the tribal and semi-arid villages, (3) the material costs of such works are higher than the norms of 40 percent, with the result that JRY and EAS works generate low level of employment. In short, these programmes have not been able to generate any significant level of employment for the local poor.

The IAY programmes, which is relatively successful has constructed only 252 houses (143 of these in the irrigated villages) that, is much less than the required number to meet the needs of the poor. Considering the fact that this is one programme that enables the poor to live with dignity, there is a need to construct more houses.

The social security programme, which includes assistance as well as social insurance have made no impact whatsoever in terms of protecting the poor in the events of crises and insecurity. The poor are totally left to themselves to face risks and uncertainties in life! The watershed development programmes has been implemented only in two villages so far, and that too on a small scale. Considering the fact that the watershed strategy is a sound strategy for natural resource management, in tribal as well as semi-arid regions, one would want a large-scale implementation of these programmes. The self-employment programme, wage employment programme and social security programmes are dealt in detail in the following chapters.

Chapter Five

Self-Employment Programme

We have already seen that the BPL lists are highly exaggerated; they include non-poor and frequently exclude the real poor. As the self-employment programmes are given to the households included in the BPL lists, these programmes are frequently given to non-poor households. Our investigation shown that the extent of the leakages of the self-employment programmes to the non-poor is almost the same as the leakages in the village level BPL lists.

We have collected data on the beneficiaries of self-employment programmes separately (a) for those who have completed their programmes and (b) those whose programmes are on going. There are totally 351 sample households have benefited by self-employment programmes. 94 per cent of the households have participated and completed the programme and for the remaining 6 per cent the programme is ongoing. Self Employment Programmes are taken up by households employed in non-agriculture (5%), agricultural labour (12%), casual labour (14%), marginal farmer (20%), small farmer (25%), and large farmer (9%) – which indicates clear leakages to the non-poor. In the case of the beneficiaries whose programmes are in progress are proportionally more in Ranol and Bavaka. New self employment programmes are not coming easily to these villages.

The chapter is divided into three sections. The first section deals with beneficiaries for whom the programme is completed, the second section deals with the beneficiaries for whom the programme is in progress and the third section deals with other related programmes.

1. Self Employment Programmes Completed

Among the programmes that have been completed, 41 per cent are more than 5 years old and 28 per cent are more than 10 years old. Similarly 9 per cent of the cases are more than 15 years old.

Loan Amount:

It was observed that 75 per cent of the loan amount is less than Rs.10,000, 15 per cent of the beneficiaries had loans above Rs.10,000 and household with loans above Rs.25,000 accounted for 3 per cent of the sample. The beneficiaries included small farmers, marginal farmers, large farmers, casual labour, people with salaried jobs and agricultural labour. Loans more than Rs.25,000 were taken mainly by the households belonging to small and large farmer category, and salaried class.

Total Loan Amount: The total loan amount is the sum of the loan amount and the subsidy disbursed to the beneficiaries. Our analysis shows that households in the category Rs.1000 – Rs.5000 account for 38 per cent of the total beneficiaries. 31 percent households received total loans between Rs. 5001 – Rs. 10,000, and 20 per cent households received loans of Rs.10001-Rs.25,000. Households with total loan of more than Rs.25,000 account only for 4 per cent of the total beneficiaries. The households are concentrated in four villages namely Jadia, Ranol, Limaj and Kansagar. In Bavaka and Nasirpur the loan amount has not exceeded Rs.5,000 as the households neither demand nor get higher amounts.

Loan Interest: The interest rates varied from 8 per cent to 24 per cent, which includes both institutional and non-institutional sources. In more than 80 per cent of the reported cases the interest rates varied from 12 to 18 per cent. Households obtaining loans at 12 per cent interest are observed to belong to Kansagar, Limaj and Jadia. Similarly households with loans of 18 per cent interest rates are located in Jadia, Ranol, Bavaka and Nasirpur. It appears that beneficiaries frequently borrow from private sources when the loan amount is not enough.

Number of Installments and Amount: The number of installments of loan repayment is observed to vary from 2 to 120 depending on the amount and duration of loan repayment. Households with 60 installments are observed to be the highest accounting for 12 per cent of the total reported cases. This may be due to the fact that majority of the loans taken are of five years period.

The installment amount paid by the debtors vary from less than Rs.1000 to Rs. 2,000 depending on the scheme. However, 63 per cent of the households, mostly in Bavaka and Limaj, were not aware of the installment amounts. 33 per cent of the reported cases paid less than Rs.1000 towards installment amount.

Installments - Paid or not Paid: In order to know the extent of liability of the beneficiary households, we asked about the status of repayment of loans. According to the survey data 52 per cent of the debtors have paid the installments and 48 per cent have not paid. Repayment of installment amount has been better in Jadia and Ranol and to some extent in Bavaka and Nasirpur. The repayment is observed to be very poor in Limaj and Kansagar. In Bavka and Nasirpur the reasons for non payment are the lack of income from the asset and bad financial condition due to drought situation. In Limaj and Kansagar, which represents Bharuch district, the problems are urgent family needs and no income from the asset. The lack of income from the asset is due to mainly two reasons. First, assets were not provided or the loan amounts were not full. Second, the loan assets were destroyed / perished or may have been sold. In Jadia and Ranol, the repayment is better mainly because the loans were used by rich households in the name of the poor.

Status of Installment Payment: The repayment status of loan installment is analysed categorizing the information whether the payment is completed, ongoing but partially paid, ongoing and regularly paid, and loan that is written off. It is observed that in 42 per cent cases the installments have been paid completely. The payment is irregular in 18 per cent cases. The payment is regular and ongoing in another 18 per cent cases. The loans have been written off in only 22 per cent cases. Across the occupation, the repayment status shows that casual labour category households have better repayment than in agricultural labour category. The repayment by the small and marginal farmers has been better than the other category households. Jadia, Ranol and Bavaka have better repayment compared to Nasirpur, Limaj and Kansagar.

Status of Assets: The status of the assets at the time of survey is an indicator of the rate of success of the programme in the long run. Figures show that 17 per cent of cases the assets are in use. However, a significant proportion, 73 per cent of total assets were not in use. The loan assets not in use, were either sold or destroyed or perished. The assets were also sold in 22 per cent cases and mortgaged in 9 per cent cases. The assets were comparatively more in use in Jadia and Bavaka. The assets were destroyed / dead in Ranol, Limaj and Kansagar. Hence, it may be inferred that larger villages had the advantage of facilities for maintaining the assets compared to smaller villages. In Kansagar and Limaj, the problem was assets being destroyed.

Extra Loan: Information was obtained from the households whether the loan amount provided was sufficient or they had to incur more debt for the same. The survey data shows that 35 per cent beneficiaries had taken extra loan for the programme purpose. Cooperative society, and friends and relatives were the main source of the extra loan. The loan amount varied from less than Rs.1000 to Rs.15,000. However, more than 90 per cent of the households borrowed less than Rs.5000. 7 per cent of the households had repaid the extra loan amounts. In the remaining cases the extra loans are not repaid.

Family Money: Some times families used their own money to supplement the loan amounts. 32 per cent of the total beneficiaries reported that they used money from family sources for the programme. 27 per cent used less than Rs.1000 and 4 per cent used Rs.1001-Rs.5000 for the programme.

Income Generated: Response was received from 179 households (51 percent) regarding the income obtained from the programme. The income obtained from the programme varied from less than Rs.1000 (18 per cent) to Rs.25,000 (5.5 per cent). Profits from the programme, which is the net income after deducting the expenditure is shown to be both positive and negative. 21 per cent of the total beneficiaries reported that they incurred loss in the programme when it was

running. In short, even when the programmes were in operation, they did not necessarily give net income gains to beneficiary households.

Long Term Impact of the Programme

The long term impact of the programme was analyzed using six indicators, namely, assets, income, employment, debt, other benefits/losses and the overall impact.

Assets: About 17 percent beneficiary households could retain and even expand their asset. The rest had either sold or lost the assets. In Limaj the assets were lost to the rich, while in Kansagar the assets were mainly on paper. The assets were in fact or in use mainly in the irrigated villages of Jadia and Ranol.

Income: Though some beneficiary households experienced increased incomes in the short run, the long term gains incurred to a smaller number of households. About 10 – 15 percent households reported gains in incomes.

Debts: About 20 percent beneficiary households reported increased debt after the programme. The debt is from private as well as institutional sources. In several cases banks have served notice to those who have not repaid their loans. In a few cases, mainly in Jadia, Bavka and Ranol, the beneficiary households have repaid old debts using the incomes of the self employment programmes.

Employment: About 8-10 percent beneficiary households have experienced an increase in employment after the programmes. Again, most of the households belong to Jadia, Ranol and Bavka.

Other Benefits:

Households were asked to give information on benefits accrued other than the 3 major indicators namely income, employment and debt. The households mentioned two benefits. First, is that the dependence on agricultural loan has reduced (4%), and second benefit is that consumption of milk had increased (33%). These two benefits were mentioned in all the villages.

Other Losses:

Some losses were reported by the households. In 43 per cent cases, animals had perished and assets were not in working condition in 13 per cent cases. The household had sold the shop in one particular case. Marginal, small and large farmers across Jadia, Bavaka and Nasirpur accounted for more than 60 per cent of the households reporting the death of animal assets.

In short, the overall impact of the self employment programme was not very positive.

2. Self Employment Programmes Ongoing:

There were 29 households participating in self-employment programme at the time of the survey. Casual labour and small farmer category households account for 72 per cent of total beneficiaries. The beneficiaries are mainly from Ranol (55%), Jadia and partly Limaj (31%).

Loan Amount: In the sample of 29 households, 15 per cent had their programmes in progress and had less than Rs.1000 of loan. Marginal farmer, small farmer, and casual labour account for 50 per cent of households with loan amount of less than Rs.1000. The rest are large farmers or households in non-agriculture, with larger than loan amounts.

Loan Subsidy: Only 12 households reported of obtaining subsidy for the loan received under the programme. The subsidy amount varied from Rs.1000 to Rs.10000.

Total Loan Amount: Information on total loan amount is available for 26 households. Out of the 26 households, 32 per cent had more than Rs.5000 of loan and 45 per cent had a loan of more than Rs.10,000. Small farmers, large farmers and agricultural labour accounted for 90 per cent of the beneficiaries. Majority of the beneficiaries are in Ranol and partly in Jadia.

Programme Period: Out of the reported 29 cases, for which information is available, in 9 cases the programme period is less than 3 years. It is 3-5 years for the rest of the cases.

Interest Rates: The interest rates varied from 12 per cent to 18 per cent. Loans were obtained from both institutional and non-institutional sources.

Extra Loan: In addition to the formal loan, 10 households reported of taking additional loan for the programme. The loan amount was less than Rs.1000 in 3 cases and more than Rs.1000 in 7 cases. The source of extra loans was commercial bank in 1 case and friends and relatives, employees and moneylenders in the rest of the cases.

Expenditure from Personal Source: 10 households reported that they had used personal money for the programme. Out of the 10 households, 8 households used less than Rs.1000 and 2 households used between Rs.1000 to Rs.5000.

Status of the Assets: Out of the 21 households, 4 had sold their assets and 25 households had their assets intact.

Impact of the Programme: The impact of the programme is perceived using four indicators, namely, income, employment, debt and other loss/benefit. The impact of the programme is briefly described in the table below.

Indicator	Increase	Decrease	No change	Total
Assets		4	19	29
Income	22	0	7	29
Employment	19	1	9	29
Total Debt	4	6	19	29
Other Benefits	2		10	29
Overall Impact	2	1	26	29

Source: Field Survey

The table indicates that the short term impact of the ongoing self employment programmes is much better than the long term impact of the programmes. Except for the four cases where the assets are sold/lost, most of the others have experienced some positive changes. It needs to be noted that some beneficiary households have not experienced any change in the status even after taking up the programmes. This is because the asset has not generated much income for the households.

Problems, Suggestions and Opinions:

The problems of participating in poverty alleviation programme have been discussed in an earlier chapter, which refers to problems in getting access to the programme and obtaining benefits. Here we discuss the problems related to the success of the programme. These are categorized under four main headings, namely, capital, marketing, raw material and technical. The problem of poor access to capital was expressed by the highest number of respondents accounting for 33 per cent of total. This was followed by problems of marketing (22%) and technical problems (17%). Problem of raw materials was much less (4%).

Initial capital is very important for starting any economic activity under self-employment programmes. Bank procedures are very cumbersome for the rural poor to get an easy access to credit. Also, Rural infrastructure is not sufficient enough to support self employment ventures of the poor. Another problem is marketing for the products. Technical skills managerial qualities and credit management are equally important for success of self-employment, which the

rural poor normally lack. The other problems are problems of cattle feeds, non-receipt of full loan amount, lack of veterinary services, lack of experience, procedural delays, low remunerative prices, and lack of marketing facility.

The main suggestions made by the poor are: (1) increase in subsidy amounts, (2) simplifying the procedures in the banks and other credit institutions, (3) adding working capital in credit, (3) continuous flow of working capital, (4) payment of full loan amounts, (5) improved infrastructure like veterinary services, and (6) training in the necessary field of activity. In addition, there are two important issues, which the rural poor are concerned about. One is about the beneficiary selection process and the second is the access to complete information about the programmes. The sample households have suggested that these two aspects should be given more importance.

In summary, the study clearly indicates that the long-term impact of the self-employment programmes (of those who have completed the time period of the programme) has been highly disappointing. The rate of success of these programmes in terms of helping the poor to cross the poverty line in the semi-arid and tribal villages has been very low. In fact, some times it goes beyond zero as many of the beneficiaries have now debts on their heads! The local banks have sent notices of the old pending debts, which are not likely to be repaid, given their economic conditions and given the environment of not paying. Banks have reconciled to this fact, but they now refuse to lend to these villagers. In other words, the access of the poor to bank credit in these villages is almost nil. Investigation shows that –

- The self-employment schemes have been frequently bogus – on paper only. For example, there are 8 beneficiaries of the fishing net scheme in Kansagar, but not a single net has come to the village under the programme! Half the names of the beneficiaries are bogus, and the other half does not seem to have seen any net! It appeared that some rich in the village, along with the talati/VLW made easy money under the name of the scheme! Each “beneficiary” was paid Rs. 500/- for this favour.
- Many of the IRDP assets are dead, sold off or gone to the employers of the beneficiaries! In Limaj 25 buffaloes that come under the scheme went to the Patel employers of the beneficiaries. It took quite some time for us to bring out this truth! Situation is better in the irrigated villages of Jadia and Ranol.
- The beneficiaries found it difficult to manage these programmes for long, primarily because on the one hand there were pressing needs for consumption (food in the lean season, sickness or death, social function) and on the other hand the schemes were doing badly – selling of the asset was an attractive option in such circumstances. However, the better off among the poor and the non-poor beneficiaries could manage the schemes well.

- Those who took up the schemes to run them found that (a) it was difficult to get raw materials or to sell the product, (b) it was difficult to get working capital and (c) it was difficult to run the scheme, given their limited techno-managerial capabilities.
- The local economy also could not provide much support in terms of market, raw materials, skills etc. However, local linkages could be established in relatively prosperous villages.
- The only group which showed some success in the long run was of the non poor large farmers (belonging to higher castes), traders or established businessmen, and the better off of the poor.

In short, self-employment programmes in backward and poor regions do not make much sense. In fact, it is indeed very difficult for the poor to run such schemes, with limited skills and capabilities, in a region, which provides neither forward nor backward linkages. It is also observed that the newly structured SGSY also does not make much difference. The major weak points here are (a) formation of groups as a mechanical exercise, without going through the process of social mobilization, (b) a great hurry to move to micro finance and economic activities, (c) lack of skills and trainings to the group members and d) identification of economic activities without any comprehensive planning.

In the case of the irrigated villages of Ranol and Jadia, however, the situation is somewhat better. As the local economy is able to support some self employment ventures, the schemes has been successful for the non poor households as well as for SF/AL households who are near to the poverty line income level. The success also has been limited to certain schemes like agriculture, trading and small business, and manufacturing activities linked with the local economy that is, the programmes which could be integrated with the local economy.

The lessons that emerge from the study of the self-employment programmes can be listed as follows:

- It is difficult to support self-employment programmes in less developed regions with poor infrastructure and poor employment avenues. However, in relatively developed regions, it may be possible to identify ventures, which could be supported by the local economy.
- Though integration of poverty alleviation programmes with the development process is essential for the sustenance of the programme, it should be noted that economic growth comes first to support self employment ventures and not vice versa. Self employment schemes by themselves cannot generate economic growth – unless when they are on

a large scale and are well planned to be able to diversify the local economy – and therefore cannot be sustained for long.

- This brings us to the third lesson that self-employment programmes should be taken up as projects – well designed, comprehensive, large-scale projects. Though the SGSY attempts to promote a project approach, it does not seem to be ending up as projects, thanks to the poor administrative translation of the programme.

Chapter Six

Wage Employment Programmes

The major employment programmes implemented in Gujarat during the past two decades are NREP, RLEGP, JRY, EAS, and JGSY. As seen earlier, the schemes have developed over the years and ended up in EAS and JGSY. On the area development front, the programmes started with DPAP and DDP for Gujarat. TADP was soon added. The strategy for area development has evolved over the years with watershed development emerging as a major programme. In addition there are housing programmes (IAY and SAY) and Gokul Gram Yojana implemented for asset generation and for infrastructural development.

About 204 households from the sample reported to have participated in wage employment programmes. They participated in scarcity works, the regular wage employment schemes and in watershed development programmes.

Awareness about the Programmes and Participation

Knowledge about the programmes is the first step towards participation. We therefore asked the households (a) whether they have heard of these programmes, (b) if yes, what are the objectives and components of the programmes, (c) what is the procedure for participation, and (d) have you participated in the programmes. We discuss our findings in the following paragraphs:

Let us admit at the outset that the collection of data on JRY, EAS, (and JGSY) as well as the village infrastructure development programmes, Gokul Gram Yojana (GGY) was very tough. Such data were not readily available with the taluka offices, and the talati was invariably unwilling to help. We literally had to chase the talati to get these data – which were made available to us only after a lot of hunting. The reason soon became obvious- the funds were misused in most cases!

The households have participated in almost all the major wage employment programmes and benefited from it. The benefit has however, varied across the regions of the state depending on the nature of the programme suitable to the region. Each of the performance and impact of each of the schemes is discussed next.

1. Employment Assurance Scheme: There are totally 4 percent households who were aware of the name of the programme. However, 8 percent households knew about the nature of work of the programme. For 4 percent households it was a road-work programme, for 2 percent households it was creation of village assets and for other two EAS meant any sort of wage employment. Only 4 percent households replied that they had taken part in the

EAS programme. Out of the 4 percent households who had taken part in the programme, 2 percent households mentioned that the objective of EAS was to repair roads. For the remaining 2 percent households it was to provide wages and wage employment. In short, the households had a very limited knowledge about the scheme.

2. Desert Development Programme: The desert development programme is comparatively popular with 8 percent of the households aware of the programme. This awareness is mainly among the households with the marginal, small and large farmers as main occupation and households self-employed in non-agriculture, agricultural labour, and salaried jobs. The information they had about the programme was that the activities undertaken are land leveling, land development, and improving surface water resource. However, 111 households (55%) have taken part in the programme. 84 per cent of the beneficiaries belong to households with agriculture as the main occupation and another 10 per cent belong to agricultural labour and casual labour households. The programme was implemented mainly in Jadia and Ranol.

The low level of knowledge and higher level of participation was because the households were more concerned about taking up whatever work was available, and less concerned about the name and objectives/functions of the programme.

3. Drought Prone Area Programme: Our study showed that 57 per cent of the total sample households had taken part in the programme. They were well aware of the programme and its objectives also. The DPAP has been implemented mainly in Jadia and Ranol only. DPAP is well implemented in Dahod taluka / district but not in the sample villages of Bavaka and Nasirpur. First DPAP and now DDP has been implemented well across all talukas of Banaskantha and has been the major development programme of the district.

Our investigation showed that there was a good awareness about the name and works undertaken under this programme. About 57 percent households had heard about the programme and 56.5 percent households had participated in the programme. However, only 5.5 percent households could describe the objectives of the programmes.

4 Gokul Grama Yojana: GGY was known to just 4 percent households of the sample. This is because not all the selected villages are covered under this programme. The information known to the 4 percent households was that the programme is for constructing roads, constructing school rooms and other village assets. They were also aware of the objectives of the programme. These households have taken part in the programme.

5. Jawahar Gram Samruddhi Yojana (JGSY) and Integrated Watershed Development Programme (IWDP): Since these programmes are not implemented in the selected villages, hardly any of the

sample households know about the programme or the objectives and function of the programmes.

6. Relief Works: Relief works are very common in Gujarat, and almost everybody knew about these works. About 40 percent of the households had participated in these programmes. The beneficiaries were mainly from the tribal villages of Bavka and Nasirpur and the dry village of Kansagar.

7. Indira Awas Yojana: This is another popular programme. Most people knew about it as free houses are given to BPL households under this programme. All the villages are covered under this programme.

Source of Information

When we asked the households about the sources of their information about the programmes, it was reported that the sources were varied. Panchayat office and the talati as well as friends and relatives were the two major sources accounting for 25 and 45 percent of the reporting households. Others in the village accounted for 20 percent of the reporting households. The rest of the households could not pinpoint the sources.

Facility at Work

It is normally expected that workers under the wage employment programme should be provided with some basic necessities at the site such as drinking water, shade, crèche, etc. The response of the participants in these programmes regarding the facilities is shown below. From the table it is seen that 18.00 percent workers reported that drinking water was available at the work site.

Responses Obtained Regarding the Facilities Available to WEP Workers

Facility	Percentage of workers responding positively
Water	18.00
Shade	15.5
Crèche	2.1
Others	1.2

15.5 percent workers reported that shade was available near to the work site, while only 2.1 percent workers responded that crèche was available and 1.2 percent workers reported that other facilities were available. In short, the overall picture about the facilities at the work site is very bleak.

Houses Constructed under the Housing Programmes

Three housing schemes, namely, the Indira Awas Yojana, Sardar Awas Yojana and the Halpati Awas Yojana are being implemented in the state. These schemes are implemented in the selected villages also.

1. IAY: In all, 252 villages have been constructed under this programme in the six selected villages. Jadia got the highest number of houses (95), followed by Bavka (54) and Ranol (49). The other villages have 17 to 20 houses constructed under this programme in the last two decades.

Our investigation provided a lot of information on the benefits derived by the beneficiaries of the IAY:

- The wage income earned in the construction of houses varied from Rs. 20 to Rs. 600. About 54 percent beneficiaries contributed their labour in the house construction.
- About 63 percent beneficiary households contributed their own money for the house construction. Their contribution varied from Rs. 300 to Rs. 35,000 (About 47 percent contributed Rs. 10,000 + amount). This indicates the leakages of the scheme to the non-poor. The extra amounts were spent by the households for paying bribe or for making extension or innovations in their homes.
- About 54 percent beneficiaries contributed their own labour in the house construction. This contribution varied from 10 mandays to 270 mandays. This contribution was particularly higher in the tribal villages where the beneficiaries want a slightly large house and where they are willing to work on the construction.
- The total value of the IAY house varied from Rs. 3,000 to Rs. 60,000. About 76 percent beneficiaries had the IAY house costing Rs. 10,000.
- As regards the maintenance of IAY houses, it was observed that about 31 percent households spent money on maintenance or extension of the houses. The rest did not spend any money/labour on maintenance because (a) there was no need to spend money on the maintenance or (b) there was no surplus available to spend on the maintenance.
- About 25 IAY houses are not in use, mainly in Jadia, Limaj and Kansagar. This is because (a) the houses were damaged in the earthquake – 2 in Limaj, (b) they are used for cattle, or (c) they are used as storages.

2. Sardar Awas Yojana: The SAY is a state level housing programme. These houses are slightly bigger and better (in facilities) than the IAY houses. However, the number of houses constructed under SAY in the six villages is very small. Limaj, Nasirpur, Kansagar do not have any house constructed under the SAY. However, the rest of the villages have a few houses (varying from 4 to 8) constructed under the scheme.

Our investigation showed the following:

- Family labour per SAY house varied from 20 to 120 mandays. Only 50 percent houses contributed family labour.
- The beneficiaries contributed their own funds of the size between Rs. 12,000 to Rs. 45,000. Those contributing higher amounts (Rs. 20,000+) belong to households engaged in non-agricultural self employment like trade, business or manufacturing.

3. Halpati Awas Yojana: There were no beneficiaries of the HAY in the selected six villages.

On an average, an IAY houses needed 180-200 mandays of work. However, the employment impact has been limited of these programmes, because (1) more than 30 percent of the expenditure on a house was spent on materials and (2) unskilled mandays generated per house was very small.

Scheme for Constructing Toilets and Bathrooms

Somehow, this scheme was not very popular in the selected villages. Only two beneficiaries were found in Ranol. The average expenditure of a toilet was Rs. 10,000/- of which Rs. 5,000/- was contributed by the beneficial households in terms of cash as well as labour. The employment impact was minimum as the total employment generated per toilet construction was between 35 to 55 mandays, of which a significant portion was of skilled labour.

Other Assets

The other assets undertaken in the villages are paving of village roads, construction of the approach road, construction of the panchayat buildings, or construction of village gate!

The mandays generated per beneficiary household varied from 27 to 65 (scarcity works) to 45 mandays per year. As seen above, the number of beneficiaries

from the local village was small because in most cases contractors were employed to fetch cheap labour from outside.

Also, the wage rates paid were less than the stipulated minimum wage rate (Rs.50.00 per person per day). The wage incomes earned by beneficiary households was not very significant. And as there was not guarantee of work under the wage employment programmes, seasonal or temporary migration from the village was inevitable.

Impact of JRY and EAS

The impact of these two wage employment programmes on the beneficiary households was measured in terms of their gains (if any) in income and employment. Our study revealed that in all, only about 15.5 percent households had participated in these programmes at some or other stage (Use of contract labour, skilled labour and siphoning off the funds of these programmes by Sarpanch/Talati did not generate per year varied between 20 to 120 days, and the income generated varied from Rs. 150 to Rs. 6,000 (in scarcity works).

Impact of JRY / EAS

The impact of these wage employment programmes is estimated using the indicators of income, employment and migration. The income had increased in 15.5 per cent cases ranging from Rs. 500 to Rs.6000. Similarly employment had increased in 12.5 per cent cases ranging from 20 to 120 days. The impact on employment and income was observed mainly in case of bavaka and jadia. Migration during months of wage employment availability took place in 9 per cent cases of the beneficiaries. The time period of migration varied from 2 to 9 months. The impact of wage employment programme on migration was expressed by 21 per cent of the beneficiaries. In 11 per cent cases, migration had increased, decreased in 8 per cent cases and no change in 2 per cent cases.

According to the survey, 30 sample households provided response on the issue of additional employment requirement. The additional employment requirement varied from about 10 days to 200 days. Where as, only 21 households responded that additional employment was obtained to a maximum of 150 days.

WEP Assets and Schemes Required

Several schemes and projects under the wage employment programmes have been implemented. In addition to that, the people in the sample villages continue to request for watershed programme, social forestry, village roads, school rooms, community hall, irrigation wells, lakes and balwadi centres.

Increase in Employment Programmes

The households were asked to express their opinion on how to fulfill dual objective of creating additional employment for the people as well as the necessary assets in the village. In the perception of the beneficiaries the employment programmes could be increased in the following ways. First by providing employment to all the households belonging to the poorer sections. Second, by carrying out all the projects related to village assets and infrastructure. The focus has however, been on increasing surface water storage through lakes and ponds, and also on rural roads and street light.

Opinion and Suggestions

The households expressed their opinion on the importance and need for wage employment programmes. Watershed programme was an important requirement for the people of bavaka and nasirpur representing Dahod taluka, where increasing surface water is essential. sample villages. It is the same case in Limaj and kansagar also, representing jambusar taluka where the soil salinity is fairly high. A general opinion was that local and needy persons must be given employment instead of outsiders. This feeling is due to the wage employment projects being carried out by contractors, who bring workers from outside the work site. Wages were preferred on a daily basis rather than weekly basis. This reflects on the severity of poverty

There was an attempt to find out the importance given to wage employment programmes at the community level in the sample villages. According to the survey, 26 per cent of the sample households were aware of the grama sabha and that it was held once in six months. Regarding the people's participation in the grama sabha, there was a varied response from the households. Only 5 per cent of them said that there is full participation. In other cases when asked who actually attended, the response were, such as, village leaders, educated persons, patels and durbars, grama panchayat members, and friends and relatives of the sarpanch, etc. Only in 3 per cent cases, it was mentioned that publicity was given and discussed about wage employment programmes in the grama sabha. The households were not aware of the maintenance and accounts of the assets created under wage employment programmes.

We attempted to collect the data for the last one decade to see how much money has gone into these villages, and what impact it has made on the village. The following paragraphs discuss the results.

- **Kansagar** and Sindhav have one common village panchayat. Since Sindhav is a slightly bigger village (20 percent more population) and is more powerful politically, Kansagar gets meager amounts under the JRY. The only activities undertaken in Kansagar in the last 10 years are (1) stone paving of road, some matikam for palas and (3) pipeline laying. The amount

spent was between 3,500/- (1999-00) per year to Rs. 19,000/- (1994-95) per year stones paving was done mainly in non-SC/OBC areas.

- **Limaj** gets Rs. 26,000/- per year under the JRY and it has received Rs. 2.60 lakhs in the last 10 years. But they have almost nothing to show except for road paving and laying of pipelines. Road paving in Rathodvas is a very small patch, but in Patelvas and other areas of high/middle castes it is good. There is no system of gram sabha – only 4-5 persons meet! “Other do not have time”. There were no proper accounts of JRY funds.

Gokul Gram Yojana was introduced in Limaj in 1996-97. About Rs. 3.5 lakhs were given earlier and Rs. 3.00 lakhs (Rs. 2.99 lakh grants + interest) was available in 1999-2000. The full funds are not available because the government does not have funds for the programme. Of this Rs. 50,000/- are spent on the large gate at the entrance of the village! The other works done are (1) cemetery, (2) road and stone paving in the village (3) water works & “sump” for which GWSSB took the contract and its officer got a huge commission (4) anganvadi building, (5) community hall and (6) tank deepening. All works were done through contractors. The taluka office and GWSSB officer were given huge commissions (sarpanch says) and the local leaders also received a share in the booty (villagers say).

- **Nasirpur's** talati avoided us for a few days, when we asked him for JRY/EAS/JGSY accounts! The village receives Rs. 37,000/- – Rs. 40,000/- per year for JR, and has received more than Rs. 4.00 lakhs in the last 10 years. The assets are, however, too few! The main work done is “road work” in different falias, a few (3) nala work and (4) some work in housing. The work was done through contractors, but we could not trace all the road done under the JRY. The talati gave us half baked account after a lot of chasing. The villagers had no idea about JRY funds and its accounts.
- **Ranol** receives about Rs. 10,000/- per year under JRY. Earlier it receives more funds (upto Rs. 25,000/- per year). The works undertaken are (1) compound wall for primary school, (which appears three times in the last five years!), (2) roof for crematorium, (3) painting of government office buildings, (4) land leveling, (5) compound wall of community wall, (6) pipelines, (7) latrines and bathrooms in Panchayat House, (8) bathrooms for Harijans and Bhangis and (a) individual assistance to Harijans and Bhangis. Contractors were employed for carrying out the work in most cases.

Ranol has been covered under the Gokul Gram Yojana since 1996-97. However, funds are not coming to the village due to the financial problem of the state government. So far the village has got an internal road, a school room for the primary school, water works and havada (for animals) in the village.

- **Bavka**, being a large tribal village receives about Rs. 1.80 lakhs per year under the JRY. The village has received more than Rs. 18 lakhs in the last 10 years. The major works undertaken are (1) construction of school rooms and anganwadi rooms, and their compound walls, (2) road works, (3) nala construction, (4) washing places (5) pick up bus stands, (6) irrigation wells – public wells.

Bavka is also covered under the Gokul Gram Yojana, but grants have not come regularly in the recent years due to the financial problem of the state government. The village has used these grants mainly for well construction.

Our study on the performance of the JRY, EAS and GGY in the villages indicates that

- These funds are a major source of corruption by not only Sarpanch and Talati, but also by taluka level and other state government officers and staff. The distribution of corruption varies from village to village, depending on the relative strengths of the local and taluka level officers.
- The norm of allocation of funds for individual assets of SC/ST is hardly observed. The village level assets like road paving also do not reach the localities of the poor.
- In spite of this, however, there is no doubt that villages have received assets under these programmes. Schoolrooms, road paving, water works, wells, community hall etc are constructed in the villages.
- The funds are very small, particularly for small and backward villages. This amount just does not make any sense! Allocation of 22.5 percent to SC/ST from these meager funds also does not help at all!
- The Gokul Gram Yojana has not done well primarily due to the lack of funds. The villages have not received the due funds under these programmes. Also, the priorities in the programmes do not seem to be correct.
- It is difficult to say whether these programmes are for employment generation or for asset building. It seems that the impact of these programmes, including JRY, is very limited in employment generation for the poor because of (a) the small size of the programme, (b) the types of assets selected, (c) the contractors using their own skilled and unskilled labour, and (d) corruption and favoritism in selecting workers (The selection of workers for these programmes is never done through any objective system, such as preparing list of people wanting work and selecting them in some order).

- The Gokul Gram Yojana has not been very successful due to (a) paucity of funds from the government (b) lack of proper planning of works (the construction of the gate in Limaj, for example) and (c) corruption in the system. Even official reports have seen the GGY as more or less a failure.

It needs to be added that since the focus of the JRY and EAS is on employment generation, these programmes need to have concentrated on the works of natural resource management. The fact that the tribal villages are not able to undertake watershed development, or the drought prone villages cannot use these funds on natural resource management, (that is so very essential for stabilizing the agriculture and for promoting the related activities like horticulture, animal husbandry, fishing etc.) is really a big loss.

To summarise, we can say that wage employment programme is useful in terms of employment opportunity for the rural unemployed and under-employed households and also in terms of creating physical assets in the villages both, individual and community level assets. The wage employment programmes have increased incomes and employment but the impact is a short term one, because there is no improvement in terms of increase in savings or physical assets personally. The return from the assets created through the wage employment programme is also negligible. Analysing the problem across the regions, wage employment had made impact on creating surface water resource in Dahod district. Much more needs to be done since irrigation potential has to increase to improve farming, more employment for the rural unemployed and check migration.

Chapter Seven

SOCIAL SECURITY FOR THE POOR

We have already listed the schemes designed for providing social security to the rural poor in the state. These schemes are centrally sponsored schemes as well as state sponsored schemes. In this chapter we shall examine the access of the poor to these schemes.

One striking feature of the schemes is that the schemes are almost non-existing in the selected villages. In all, these area few beneficiaries, who are mostly located in the irrigated villages, Jadia and Ranol.

From the time of its inception in India, the concept of social security was within the domain of workers in the organised sector. Since the 1980s, however, attempts have been made to cover the workers in the unorganised sector also. The central government has designed National Old Age Pension Scheme, National Family Benefit Scheme and National Maternity Benefit Scheme, while the state sponsored schemes include Group Insurance for Agricultural Workers, Forest and Plantation Workers, Fishery Workers, and Salt Workers. LALGI (Landless Agricultural Labourers' Group Insurance) is an insurance scheme sponsored by both central and state governments. The performance of these schemes has been discussed at the village level, Talukas level and the district level.

Village Level Performance

Limaj : During the years 1998 to 2000, eight households in Limaj received Rs.1000 /-each from the state government under the LALGI Scheme. Out of the eight households only five received Rs. 2000/- each, the central government share of the scheme.

Kansagar: During the year 1999, one household received Rs. 1000/- from the state share and Rs.2000/- of central share under the LALGI scheme. Two households received Rs.500/- each as "Dole".

Nasirpur: No secondary information could be obtained. We were told that the coverage is almost nil in this district.

Bavaka:-

- During the year 1999-2000 one household has been benefited from the 'Rural Group Insurance Scheme'.
- Under the Social Welfare Programme, three schemes have been implemented namely, (a) housing scheme, (b) Manav Garima (c)

medical assistance. Five households were covered under the housing scheme, one household was covered under Manav Garima, and one household was covered under the special medical assistance scheme .

- Between the years 1997 and 2000, five households received Rs.500/- cash and NSCs worth Rs.2500/- under the DikariRudi Scheme.
- Between the years 1999 and 2000, six households received Rs.2000/- and NSCs worth Rs.3000/- under the Kunvar Bai Mameru Scheme.

Jadia :

- Social Welfare : 137 households were benefited from the social welfare housing scheme. However, social security schemes were implemented as follows.
- Old Age Pension Scheme: Between 1981-82 and 2001, eight household members were benefited from the old age pension scheme of the state government. They are being paid Rs.200 per month. One more household had applied for pension in 1993-94 but there has been no progress in this matter as on date.
- National Family Benefit Scheme (NFBS): Five members of the village had applied for benefits from the NFBS in the year 1997-98. The benefit includes a sum of Rs.5000/-. None has got the scheme so far. There are no beneficiaries also of Kunvar Bai Ni Mameru and Medical Assistance Scheme.
- Manav Garima Scheme: During the year 1999-2000, four households received Rs.2000/- per beneficiary.

Ranol:

- Social Welfare –Housing : Seven households were provided with houses under the Social Welfare Scheme between 1992-93 and 1995-96 and between 1999-2000.
- Manav Garima: Two persons were benefited from the Manav Garima scheme.
- Old Age pension: One household received benefits of the old age pension scheme after nearly six years after the application had been submitted and one household was sanctioned pension in the year 1999-2000.
- NFBS: Two households were benefited from NFBS during the year 2000-01. A sum of Rs.5000/- was paid to each of the beneficiary.

In short, the number of beneficiaries in the villages has been very small: 3 households in Nasirpur, 14 in Bavaka, 17 in Jadia and 5 in Ranol. The amounts

of the benefits are also very small, from Rs. 500 to Rs 2,000 per year in the case of social security, Rs. 5,000 for death and Rs. 2,000-2,500 for marriage of daughters.

Distict Level Performance

In order to get some idea about the dimensions of the coverage, we collected distirict wise data on the coverage of the different social security schemes.

1. Banaskantha District: Banaskantha district has implemented all the mian social security schemes. The total number of beneficiaries of the scheme in 1999-00 are 1031 for the widow pension scheme, 1051 for LALGI, 361 for NFBS, and 2001 for EAP. That is about 3032 persons are receiving monthly pension (Rs. 100 – Rs. 200) and 1412 persons have benefited from the insurance scheme. In addition, 57 households have received benefits of Dikri Rudi Scheme and 45 households have received Kunvarbai Mameru Scheme.

Though it is obvirous that these small numbers do not make any quantitative impact in terms of providing social security to the poor, it needs to be noted that there are a number of schemes designed for providing social security to the population.

Table Social Security Schemes in Banaskantha

	Applications Received	Applications Sanctioned	Applications Rejected	Amounts Spent (Rs. In Lakhs)
Widow Pensions				
1998-99	689	632	47	10.40
1999-00	1102	1031	71	9.80
Old Age Pensions				
1997-2000	--	8136	--	73.22
Maternity Benefits				
1996-2000	2162	2162		
NFBS				
1999-00	361	--	--	--
LALGI				
1996-2001	--	7050	-	10.69
Dikri Rudi				
1999-00	--	57		2.85
Kunvarbai Mameru				
1999-00	--	45		2.25

Source: District Level Offices, District Reports

2. Bharuch District: Bharuch district has also implemented most of the social security schemes, though the scale of the implementeation is very small.

The old age pension scheme has about 8418 beneficiaries in the district covered under the period 1997-2000. About 2985 persons are covered under the Old Age Pension Scheme of the state between 1998-99 to 1999-00, and 71 households are covered under NFBS during the same period. That is, in all about 11,000 persons are covered under these schemes at present.

Maternity benefits have been given to about 1724 women under the National Maternity Benefit Scheme during the period 1995-2000 (5 years). About 457 households have received Kunvarbai Mameru Scheme in the district during the period from 1995-2000 (5 years).

It is once again clear that the coverage of social security is very low in terms of the number of schemes (the types of the benefits available), the number of beneficiaries and the amounts spent on the schemes.

	Applications Received	Applications Sanctioned	Applications Rejected	Amounts Spent (Rs. In Lakhs)
Old Age Pensions (Central Scheme)				
1997-2000	--	8418	--	Rs. 75/- per month per person
Old Age Pensions				
1998-2000	--	2985		Rs. 200 per month per person
NFBS				
1998-00	203	71	--	--
NMBS				
1999-00	--	1714	--	--
Kunvarbai Mameru				
1995-00 (5 years)	--	37	--	Rs. 5,000/- per case

Source: District Collectorate Office and District Development Office

3. Dahod District: Dahod district, a predominantly tribal district, has covered much less number of beneficiaries under the various social security schemes. The district has implemented only two social security schemes, namely, National Family Benefit Scheme and the National maternity Benefit Scheme. The district office covered 297 persons under NFBS during the year 1999-00 and paid Rs. 17.95 lakhs as pension. As regards the NMBS about 3780 women have received the benefit during 1995-2000, and received Rs. 18.57 lakhs as benefits.

It is clear that Dahod has the lowest cover of social security among the three selected districts.

Taluka Level Performance

Statistics on taluka level performance in the selected three talukas reflect more or less the same trends.

In Dhanera Taluka, about 58 persons have received benefits under the national old age pension scheme (central government), 47 persons have received benefits of old age pension under the state scheme and 23 women have received maternity benefits. The benefits levels of the schemes, as seen above, are Rs. 75 per person per month under the Central Old Age Pension Scheme, Rs. 100 per person per month under the state Old Age Pension Scheme and Rs. 500/- per case of maternity.

In the case of Jambusar Taluka the numbers of beneficiaries of social security schemes are once again very small.

About 353 beneficiaries from 80 out of over 100 villages in the taluka have been assisted with the pension of Rs 900 per beneficiary per year. The same beneficiaries are also assisted under Abhyodaya scheme. The total expenditure on the scheme is about Rs.4 lakhs.

In addition, about 86 women were provided financial assistance for maternity benefits with a total expenditure of Rs.43,000 during the year 1999-2000. Similarly, 70 women were covered under the scheme with an expenditure of Rs.35,000 during the year 2000-01.

The National Family Benefit Scheme was effectively implemented in the taluka from the year 1997-98 and the performance is as follows. In all, 48 persons were benefited during the four years from 1997-2001 in 36 villages of the taluka.

Year	Number of members	Number of villages	Total amount (Rs.)
1997-98	8	5	40000
1998-99	16	13	100000
1999-2000	9	8	80000
2000-01	15	10	125000

The Balika Samridhhi Yojana provided assistance to 48 households under the scheme during the year 1997-2000.

The State Group Insurance Scheme has so far covered about 198 households across 47 villages of the taluka under the scheme with a total expenditure of Rs.1,98,000 in 1998 and Rs.2,98,000 in 1999 across 61 villages.

Group Insurance Schemes at the State Level

Gujarat government has introduced Group Insurance Scheme for several poorer sections of the workforce in collaboration with the Insurance Companies like LIC, GIC and OIC. The government declared several specific policies for the years 1996-97 (First Policy), 1997-98 (Second Policy), 1998-1999 (Third Policy), 1999-2000 (Fourth Policy) and 2000-2001 (Fifth Policy). As the adjoining table indicates, about 5827 applications were sent to the OIC for group insurance. Of these 3488 (60 percent) were approved by the company, while 1624 (28 percent) were rejected, and 715 (12 percent) are pending. As against the premium of Rs. 504.98 lakhs paid, about Rs. 693.7 lakhs were claimed by the beneficiaries.

Appendices 1 to 5 present districtwise data on the implementation of the Group Insurance Schemes under the first to fifth policy. The tables indicate that the beneficiaries are spread over all the districts of the state.

It needs to be noted that the group insurance is the major scheme under the shramik suraksha programme. The target groups are categorised under landless agricultural workers, salt workers, forest workers, and fisheries workers. During the years 1998 to 2001 across 25 districts of Gujarat, 2592 agricultural workers were provided financial assistance to the tune of Rs.5.16 crore. 948 plantation and forest workers received Rs.9.12 lakh. 306 fisheries workers received 9.18 lakh, and 812 salt workers received Rs.25.56 lakh of financial assistance under the programme.

Shramik suraksha programme is a state government initiative based on LALGIS, which has both central and state share. Under the LALGI scheme, the number of beneficiaries in the state increased from 4676 in 1987-88 to 19646 in 1992-93 and 37181 persons in 1998-99. Similarly the expenditure on the programme increased from Rs.48.45 lakh to 257.47 lakh and 528.87 lakh during the same period. The per capita expenditure has however, increased little less than 50 per cent increase from Rs.1036 to Rs.1422 during the said period

Results from the Field Survey

Our field survey covered a few households whose member had received some other social security schemes. In all, our field survey examined the performance of the widow pension scheme, old age pension scheme and maternity benefit scheme. The major observations emerging from the field study are discussed below.

- Not all the deserving cases are covered by the social security schemes. It was observed that the schemes, on an average, covered less than 7 percent of the deserving cases.

- Many destitutes and deserving poor were observed to be excluded from the BPL lists, implying their exclusion from access to social security.
- The procedure for accessing social security is time consuming. Frequently, beneficiaries give bribe to officials to get the schemes.
- The money under social security is disbursed highly irregularly, with the result that the beneficiaries suffer before they receive the amounts.
- The poor have no or inadequate information about the social security schemes of the government. There is no mechanism to ensure the spread of this information to all.
- Once again, the irrigated villages have a relatively better access to social security than the other villages. The tribal villages have the least access to social security.

Summing Up

In spite of the effort made for expanding the coverage of social security and social insurance schemes in the state this sector suffers from the following limitations:

- There is no social security policy in the state that defines the meaning and scope of social security, identifies a minimum purchase of social security and plans a meaningful coverage of areas and population under social security.
- In the absence of such a policy, social security in the state is designed in an ad hoc way to cover only a part of the social security needs and a part of the needy population, the poor.
- The ad hoc and scattered implementation of social security schemes in the state has failed to provide any meaningful social security to the poor.

While concluding this discussion we would like to observe that social security (in a wider sense should include food security, health security, education security, employment security and conventional social security; and social security in a narrow sense should include social assistance to destitutes and a minimum package of social security (including insurance) for facing the crises, such as old age, sickness or injury, death, maternity and unemployment. Unfortunately such a concept is neither conceived nor implemented in the state.

Chapter Eight

Participatory Poverty Assessment

In this chapter we present our major findings of the participatory assessment of poverty in Gujarat.

PPA Methods Used

In order to have a comprehensive view of the multidimensional nature of poverty as well as to cross check information (triangulation) from different methods, it was decided to use the following PPA methods. The PPA teams were asked to use as many methods as possible from the following list.

1. **Transect Walk** in the village/urban centre with people to have a broad view of the village and of main infrastructure facilities and their use etc.
2. **Social Mapping:** to map the settlement pattern of the households, housing, infrastructural facilities, temples, tank-pond-well etc., in the village, as viewed by people.
3. **Wealth Ranking** to identify the poorest households in the village, and to rank the rest of the socio-economic groups according to their levels of wealth/incomes as viewed by the poor.
4. **Chapati Diagram (Venn Diagram)** for identifying and ranking in the diagram the quantity, quality and utility (to the poor) of the basic amenities and facilities in the village, as seen by the poor.
5. **Chapati Diagram (Venn Diagram)** for identifying officials and non-officials who are expected to help or who really help the poor, and rank them in the chapati diagram as per their importance and usefulness to the poor
6. **Time-line Analysis for natural resources** to access the perception of the poor about the quantity and quality of land, water, vegetation including forests, over the past 25-30 years in the village/urban centres.
7. **Seasonality Analysis** to understand seasonal changes in the village with respect to (a) health status, (b) water supply and (c) livelihood/employment as perceived by the poor,
8. **Analysis of poverty** as perceived by the poor in terms of the concerns/problems of poverty, causes there of and suggestions for removing poverty. The PPA teams were also asked to draw a problem of tree of poverty if possible.

9. **Case Studies** – each team was asked to prepare at least one case study that would reflect a comprehensive picture of a poor household.

All of these methods were not used in each of the villages. However, depending on the needs and response of the people, the methods were selected. The first four methods were used in all the selected villages.

About 4-5 days were spent in each of the villages for conducting PPAs. Based on the village level reports, a final report was prepared for all the selected villages. This report deals with all the major aspects of the PAs selected for the study.

Major Results of the PPA Exercise

Poverty As Perceived by the Poor:

The first major question of the PPA exercise was to understand the perception of the poor about their own poverty. We therefore asked the poor what were the indicators of poverty according to them. That is, whom do they consider as poor. The indicators of poverty, according to the poor in rural areas can be divided into the following categories

1. Lack of Adequate Livelihood
2. Lack of Basic Necessities such as Clothing, Shelter, Utensils and other basic necessities
3. Education and Health Related Indicators
4. Indebtedness, Social Exclusion, Migration etc.
5. Destitution and related Vulnerability, and Exclusion
6. Negative Factors
7. Others

The adjoining table presents the response of the poor regarding indicators of poverty. The table shows that the most important indicator or the most important concern of the poor is inadequate livelihood opportunities or lack of adequate employment. The poor give 39 percent weightage to this indicator. Inadequate employment or livelihood has been reported by the poor in many ways: Lack of land, poor irrigation facilities and one season employment, poor state of agriculture, lack of live stocks, industries closed down, declining old crafts and trades, lack of education/skills, government's employment programmes not reaching them, low wages, low productivity or low price of production etc. were the indicators reported by the poor. In other words, poor economic base of villages, low level of diversification of the rural economy as well as low education and skills are the major constraints that the poor seem to be facing in the state.

The next important concern of the poor is the lack of access to basic needs, such as, clothing, food, shelter and other basic services. According to the poor, those who do not get enough to eat, who have no proper shelter or enough clothes, or who do not have some minimum utensils at home are poor. The poor gave 23 percent weightage to this indicator collectively.

The next important indicator of poverty, according to the poor in rural areas, is the dependence and vulnerability of the poor. The poor believe that indebtedness, and particularly indebtedness (from private money lender), low caste and low status, isolation and lack of respect and migration are some of their important concerns. Huge debts with high interest rates trap them into poverty in such a way that they find it difficult to get out. Their low caste and low social status result in bad treatment meted out to them by the elite, which excludes them for the mainstream society. This make them insecure, vulnerable and powerless.

Illiteracy, poor education and poor health are another major indicator of poverty according to the poor. The poor believe that the households, which are illiterate, where women are illiterate and where children do not go to school, are poor as the lack of literacy and education is a major constraint of the poor. Similarly, families where the head is sick or where family members suffer from chronic diseases or health related problems are poor because ill health is a major drain on the family income. Many times the poor incur debts (from private sources) to meet health expenditure, and end up into a debt trap.

Destitution and related vulnerability make the poor highly insecure and unsafe. The weightage given to this indicator is low, perhaps because the number of destitutes in a village is usually low, and many times they do not speak up. However, this group emerged as the poorest group in all wealth ranking exercises.

It is interesting to note that the poor do perceive that their poverty, to an extent, is due to their own limitations. For example, they do believe that addiction to vices, large family size or lack of unity do affect their life adversely. The other minor indicators of poverty, according to the poor, are lack of access to forests, gender related issues or other environment related issues.

Table 1 Concerns of the Rural Poor: Indicators of Poverty

Particulars	Mainland Gujarat	Tribal	Saurashtra	Total
A Lack of Adequate Livelihood				
1 Inadequate Employment/work	23	25	15	63
2 Lack of land	11	19	12	42

3	Agriculture not good	16	14	11	41
4	Animals not there	0	1	2	3
5	No Technical Knowledge for work/employment	3	4	2	9
6	Industry Closed Down	0	0	1	1
7	Educated Unemployment	0	1	1	2
8	Child Labour - have to depend on children's earnings	2	1	3	6
9	Govt. Programmes not reaching	9	9	4	22
10	Low Pricing of Production/Low Wages	7	4	2	13
	Total	71	78	53	202
	% to Grand Total	41.28	37.14	38.97	39.00
B Lack of Basic Necessities such as Clothing, Shelter, Utensils and other basic necessities					
1	Inadequate food	7	14	9	30
2	No Utensils, necessities	8	9	5	22
3	No proper clothing	3	7	5	15
4	Lack of Infrastructure - lack of basic services	1	1	1	3
5	Homeless- kachcha house	18	20	10	48
6	Whose houses are made of Govt. schemes	0	1	1	2
	Total	37	52	31	120
	% to Grand Total	21.51	24.76	22.79	23.17
C Education and Health Related Indicators					
1	Illiteracy	16	10	9	35
2	Illiteracy among women	1	1	1	3
3	Children do not go to school	1	2	0	3
4	Head of the family is sick	2	5	2	9
5	Health related problems	8	4	5	17
	Total	28	22	17	67
	% to Grand Total	16.28	10.48	12.50	12.93

The above discussion indicates that the poor do not consider PAPs as “the” solution to their problems. Though the issues regarding livelihood are important to them, they also need other things in life. For example, their vulnerability, their dependence on the rich are important constraints in their life, and they do give a very high priority to these issues.

Povety Alleviation Programmes

In order to understand the performance of these programmes, it is important to understand how the poor perceive these programmes. The results of the PPA exercise are discussed in the following paragraphs:

1. BPL Lists:

The first and foremost complaint about PAPs is BPL Lists. All the groups of the poor have reported that these lists are “bogus” or “totally wrong”. Rich households are included in these lists and the real poor are many times left out. We observed that there is always a lot of politics surrounding “BPL” lists. Almost everybody in the village/urban areas wants to be included in these lists. The state government started making the new list of the 10th Five Year Plan almost one to one and a half years ago, but the process is still going on, as more and more households are included in these lists[□].

There was so much opposition against these lists and at the same time so much demand for it, that our teams tried to find out why was this fuss about the BPL status when poverty programmes are not coming in a big way. The discussions revealed that the reasons why a family wants to be included in the list are (a) it enables them to buy goods at a fair price shop, (b) it enables them (at least on paper) to claim pensions and assistance, free books and uniforms, and other allowances, (c) it enables them to claim a free house worth Rs. 20,000/- to Rs. 30,000/- and (d) it improves their access to subsidized assets like a milch animal, a shop or a well. Almost everybody in the village wants BPL status and those who can manage get this. Frequently, large farmers, traders, businessmen, shop owners are included in the list, and the poor living in dilapidated huts are out of the list. There was a general agreement among the poor that these lists are wrong⁺⁺.

The poor also agreed that they had to pay bribe to get included in the BPL list. The bribe was frequently demanded by the peon in the Talati's office or by the Talati/MLW/Sarpanch. In the several cases poor households could not be included, as they could not pay the bribe.

The findings indicate clearly the unreliability of the BPL lists. The poor do not really have any faith in these lists. However, they run for getting included their names, as it is a “big prize” to them.

[□] A Sarpanch of a village stated that “Sons of a large farmer can be included officially in the BPL list, if the father owns the entire land and the sons are shown as “landless”.

⁺⁺ A recent study of ours examined the validity of these lists in selected villages systematically. It showed that these lists have exaggerated the number of the poor 2 to 3 times on the one hand and left out many of the bottom 5 percent households on the other hand (Hirway 2001).

It needs to be added that we attended three Gram Sabhas in the selected villages. None of the Gram Sabhas included the poor. The Gram Sabhas are either meant for delivering lectures by village level or outside VIPs (officials), or it is meant for a discussion among the village elite. Our discussion with people also revealed that there is no discussion on finalizing BPL lists in Gram Sabhas.

We also observed that most poor do not attend the Gram Sabha, and the few who attend sit away and keep quiet. They only nod the heads when they are expected to.

Self Employment Programmes

Poverty alleviation programmes (PAP) relating to self-employment have not made much impact in the long run in most villages according to the poor. There was hardly any incident where a poor family had improved its economic status and come above the poverty line with the help of a programme. In fact, there were innumerable instances where such programmes were leaked away to the rich, or the poor had either sold off the asset or the asset died (i.e. milch animals) or the poor family had become indebted to the bank without improving its status. In most cases they had to pay bribe to government officials or to the local bank for getting the asset.

The access to self-employment programmes, at present, however, seems to be very low as banks are most unwilling to lend money to the poor. There was a general complaint by the poor that they were not getting any programmes these days.

In our discussions it came out fairly clearly the following aspects of self employment programmes :

- The poor do not consider self-employment programmes as very useful in most villages – the exception being the villages which are large and well connected with the outside world and/or are irrigated
- The poor argue that such programmes can be successful “only if we can run them successfully”. The poor at the bottom particularly find it difficult to run the programmes successfully.
- In fact, the poor at the bottom do not want self employment programmes as there are too many uncertainties.
- They generally prefer remunerative wage employment, which can provide regular income without much risk.

- Some poor, who were clear about their work, did show interest in starting a grocery shop or a repair shop for which a ready market was available in the village.

In short, the poor at the bottom also realize that the long term gains of self employment programmes are not necessarily positive. The indebtedness that follows such programmes is something they are not happy with.

Wage Employment Programme

Wage employment programmes like JRY, JGSY, EAS seem to have made some impact in terms of creating assets like road paving, community hall, Panchayat Ghar, pipe lines etc. in villages. These assets were sometimes accessible to the poor also. However, our discussions with the poor reveal that –

- The assets constructed under the wage employment programmes were not “priority” assets for the poor though the assets were meant to be so.
- The quality and quantity of these assets were quite small in poor areas as compared to the rest of the village. For example, the number of hand pumps, the length of road paving, streetlights etc. were much less in poor areas than in other areas.
- The poor were usually not consulted about the selection and location of assets to be undertaken under the different wage employment programmes.
- The accounts of the wage employment programmes like JRY are neither accessible to the poor nor the Talati and Sarpanch make these accounts public. In two cases when the poor asked for the accounts were threatened by the talati/Sarpanch. Considering the status of the poor, it is not a practical proposition to expect the poor to audit the accounts
- Since the size of these programmes was small, they could not generate much employment for the poor. In fact, a lot of poor said that they did not participate in such programmes.
- It needs to be added that poor usually did not have much information about these programmes.
- They usually had no idea how much money came to the village under JRY, or how this money was spent by the village Panchayat. They also did not know that they were entitled to demand accounts of these programmes funds from the Sarpanch.

Housing Programmes

Housing programmes under the IAY (Indira Awas Yojana), SAY (Sardar Awas Yojana) and others are implemented in large number of villages. One could see rows of such houses in many villages. The major problem with respect to the scheme, however, is that it provides an expensive asset of Rs. 25,000 – 30,000 absolutely free to the poor, and since the funds are limited these houses can be given only to some households. As a result, bribes under the scheme were almost a rule. Poor households gave Rs. 1,000 to Rs. 5,000 for each of the houses. Also, leakages were very common. The non-poor frequently used such houses as an extra house, or a godown or to keep animals. The poorest of the poor, however, were frequently left out of the benefits of housing schemes. Our case studies show that the poorest households do not have an access to these houses.

In spite of these limitations of the housing schemes one saw the poor living in such houses. Perhaps this was one of the few benefits of PAPs reaching the poor. Another benefit, which was observed to reach the poor, was some times, widow pensions. People reported that the poorest widows or lonely men without any support did frequently got some pension under the schemes.

However, case studies of different villages reveal that the poorest at the bottom are frequently left out of benefits of PAPs. Such poor men/women did not have a house to live or a pension to support them. Obviously, these schemes have not made much impact on poverty of destitutes.

Integration of PAPs with Main Stream Development

One major lesson to be learnt from the long history of PPAs is that these programmes need to be integrated with the mainstream development process. PAPs, in isolation, are not likely to sustain for long, and therefore are not likely to reduce poverty on a sustainable basis.

Somehow this does not seem to be happening. This is because PAPs are designed and implemented in an ad hoc fashion, without caring for linking these programmes with the local economy. These programmes are not therefore very attractive to the poor. The poor are clever enough to realize that their sustainable employment has to emerge from the development process of the economy.

Issues in Governance

The poor are closely affected by the functioning of the local administration and the local Panchayat as both are expected to help them in accessing basic necessities and benefits of development. The elected representatives with whom they come in touch on day-to-day basis are Sarpanch, Panchayat members, and some times taluka Panchayat members, the local MLA and the MP. The administrators who are supposed to be close to people are the Talati cum Mantri, the Village Level Worker, (VLW), the Nurse from the health department, schoolteachers and sometimes officer from taluka office. What do the poor think of these people who more or less constitute the governance for them?

We used Chapati Diagram or Venn Diagram for understanding the perception of the poor with respect to local administration and local elected members. In this group exercise the poor were asked to list the names of the persons - officials, non-officials, elected members who are likely to help the poor in any way. The poor were, then, asked to draw a circle in the middle to represent the village, and then to draw a circle for each of the listed persons in the list, with size and the distance from the central circle representing the weightage given to the contribution of the person. In the end, the different circles around the central circle were connected with different types of lines to the central circle, which represented the quality of the service provided by the person. We report below the major finding of the Venn Diagrams.

What are the expectations of the poor from these officials and non-officials? Our discussion revealed that the poor are not aware about the role of MLAs, MPs or Taluka and District Panchayat office bearers, though they are generally aware that these elected representative are expected to work for the society. In the eyes of the poor, Sarpanch appears to be the closet person to the poor, though he is not always very close. Sarpanch provides information about government programmes and schemes; manages the village and sometimes helps the poor in getting included in the BPL list. It is observed that the Sarpanch is less helpful when (a) there is a group Panchayat and the Sarpanch stays in another village, (b) when the village is a multi caste village and the Sarpanch is of a high caste (which is usually the case) and (c) when the Sarpanch is serving outside the village and has no time for the poor.

In general, the Sarpanch represents the elite class and is therefore less inclined to help the poor, though he frequently helps in normal operations. It is certain, however, that the Sarpanch would never fight for the poor or go out of his way to help the poor. Conversely, the Sarpanch is more useful to the poor when he belongs to a low caste and the village is a mono caste village or is dominated by

low castes. Such a Sarpanch, however, is not usually powerful enough to control the Talati or to deal with the taluka office successfully.

The talati is a powerful official at the village level as he serves the revenue department as well as the Panchayat. He is in charge of maintaining land records, collecting revenue as also preparing the list of BPL families in the village and keeping accounts and records of PPAs implemented through the village Panchayat. The poor consider him as important, but do not think of him always as useful. It was generally felt that he favours the rich and neglects the poor. However, he is considered as an important official by the poor. Many know him, many have met him though he is found to be irregular in his visit to villages (usually he serves more than one village).

Anganwadi workers, schoolteachers, and the nurse from the health department are generally seen as useful, as they are engaged in providing health and educational facilities to the village. However, the discussion also revealed that teachers were not always sympathetic to the poor; and usually discriminated between the high and the lowest castes. They were, to an extent responsible for dropouts from the school.

The Village Level Worker is a rare commodity in villages. Very few people know him or have met him. Though he is largely responsible for the implementation of PAPs, he is not accessible to the poor. It was observed that usually he visits better off families in the village whenever he visits the village.

The Taluka Development Officer, other talukas level officers, the District Development Officer etc. are too distant for the poor to help them. They visit the village occasionally, some times give speeches to people and then go away. The poor do not usually consider them as accessible or useful.

Similarly, taluka Panchayat members, MLAs and MPs are too far away from the poor. They do visit the village, particularly during elections, but do not spend much time with them. During elections they try to get votes through (a) giving food or some utility items to the poor or (b) provide liquor and (c) also give false promises. Even during elections these people are too distant to the poor as brokers or intermediaries manage the campaign.

There are several issues with respect to the local governance, which come out clearly from the interactions with the poor.

A. Representation of Interests: Do the local official sand elected heads (Sarpanch) represent the interests of the poor? Our PPAs suggest that they do not. The village Sarpanch and Talati usually come from the higher rungs of the society, and belong to the better off economic strata and medium – higher

castes. A good Sarpanch or a good Talati may try to help the poor, they do not go beyond a limit to serve the interests of the poor.

This view of the poor is well confirmed by our independent interactions with local leaders in the selected villages/urban centres. Our interviews suggests that they view the poor (a) as lazy group of people, addicted to vices, having large families, or (b) as illiterate, ignorant people who have poor chances in life, or (c) as exploited group of people, exploited by politicians, administrations and others. In none of the cases, they are prepared to help the poor beyond a limit. In no way they represent the interests of the poor fully.

B. Corruption: One major problem of the poor with the local governance is their corruption. The rampant corruption in the governance is faced in many areas

- for getting BPL forms
- for getting recognized as a BPL family
- for getting documents from the talati
- for getting loans from banks
- for getting benefits of pensions and social assistance

In addition, there is corruption in PDS shops, in the distribution of free grains or subsidized grains in droughts, in the payment of wages on scarcity works, in public hospitals and PHCs, etc. This all-pervading corruption hurts the poor the most as it affects their basic needs and survival:

- Corruption in fair price shops deprives them of basic necessities at subsidized rates.
- When they cannot pay the bribe, they are not entitled to the BPL status
- Even after getting included in the BPL list, they cannot get any benefits of PAPs if they cannot pay the bribe
- Payment of bribe in self-employment programmes upsets the working of such programmes, with the result that the scheme tends to fail
- Corruption in hospitals limits the access to medical facilities
- If they borrow for private medical care, they get into the debt trap

In short, the life becomes miserable for them when they pay the bribe or when they cannot afford to pay the bribe.

C. Efficiency, Flexibility, Responsiveness: The governance at the local level lacks efficiency, flexibility and responsiveness. The poor do not expect that he would get the required form for ration card, or documents for getting recognized as a BPL family or a subsidy from the government easily. The poor are used to wait and are prepared to wait also.

The general experience is that the widow pensions are delayed, old age social assistance is frequently late, the commodities in PDS shops are over, the dispensary opens late, the nurse does not visit them regularly, medicines in the public hospital are over and the poor are made to buy them from the market, the teachers are not regular, the Talati is not easily traceable, the VLW is rarely seen in the village, - the list can go on. There is enough evidence to show that the administration is corrupt and not responsive to the needs of the poor.

Unfortunately, the poor do not have much to say about these except grumbling about in privacy. They have accepted these characteristics of the governance as given. They are not capable of fighting for their rights on their own. It is only when an NGO helps them that they discuss these issues openly.

Emerging Realities

Poor Commitment to the Poor

Another important reality that emerges from the consultations is the poor commitment of policy makers and administration to the poor. The basic services like approach road, water supply, electricity, sanitation, paving of roads, street lights etc. all are either less available to the poor or less accessible to the poor than to the general population. It is not that the general population is fully served by these services, but it is certainly the case that these services are designed, operated and maintained in such a way that the poor at the bottom cannot avail them easily.

This lack of commitment is visible with respect to health and educational facilities also. These services are meager in terms of quantity and quality. With a lone nurse visiting villages irregularly and with no other reliable health facilities nearby, the poor have no option but to suffer or to incur debts to travel distances to reach health facilities. Similarly, with schools up to 1 to 4, 1 to 5 or 1 to 7 standards, along with much smaller numbers of rooms and teachers, and without any adequate facilities for secondary, higher secondary or technical education, the poor are not likely to be attracted to education. The discrimination meted to them for belonging to low castes as well as the poor quality of education imparted do not allow the poor to perceive education as a useful capability to live or to earn a living.

BPL lists and poverty alleviation programmes is another area that reflects the indifference of the policy makers to the poor. BPL lists are incorrect and everybody knows about it. Everybody from the top to the bottom knows that non-poor have crept into these lists and the real poor are not always accommodated. However, these lists are not scrapped, as one would accept. Instead, additions are being made even at present "to correct these lists". There is no political will to scrap the lists and review the concept and mechanism of targeting.

Social protection and social assistance is another area where the coverage is limited, scattered and sporadic. A lot of corruption is there according to the poor as well as according to some micro studies. There is a need to revamp the whole strategy if the objective is to ensure social security to destitutes and to the needy.

Rampant corruption in Panchayats and administration is being observed, reported and discussed widely. It is also known that this hurts the poor the most. However, no concrete steps are planned to control this corruption. Also, no strict punishments have been designed to punish the guilty.

In short, the apparent lack of commitment to the poor by policy makers and administration is clearly emerging as a stark reality in the state.

Poverty Alleviation Programmes

It is necessary to overhaul poverty alleviation programmes. Wage employment programmes are to be raised in size and substance both. These programmes can be used for protecting the massive environmental degradation of the environment in the state by proper planning of these programmes. In fact, we would also recommend integrating systematically the large-scale scarcity works, which are carried out in the state almost every year, with these programmes. A guarantee component in these programmes can contribute significantly in empowering the powerless at the bottom on the one hand and in reducing massive migration of the poor on the other hand. Introduction of an employment guarantee scheme in some backward talukas is worth experimenting before the scheme is expanded to other such talukas.

Self employment programmes under IRDP, DWCRA, TRYSEM or now SGSY do not seem to be working well in terms of involving people from the bottom for poverty reduction. In this context we propose some alternative approaches of promoting healthy rural enterprises: (1) Product line approach which could establish strong linkages between rural enterprises while diversifying the economy; (2) linkages with training institutes such as, poly-techniques for developing rural/urban enterprises; (3) linking cultivation/forestry/plantation with remunerative markets; (4) linking primary/traditional production with modern processing and management are some of the approaches which may help considerably. This also means that self-employment programmes should be implemented in the form of sound projects rather than as a programme with blanket norms.

BPL lists is a major area of dissatisfaction as far as poverty alleviation programmes are concerned. It is important therefore to improve the methods of targeting under anti poverty programmes. We would like to recommend geographic targeting, self-targeting and universal targeting in this context. There is good amount of literature available on the use of these methods.

Chapter Nine

Concluding Observations

Our study in Guajrat has covered 18 villages from about 6 districts located in the different parts of the state. Instead of relying only on the conventional approach of conducting primary survey, we supplemented the survey by a well-organized PPA exercise. This exercise has thrown light on how the poor perceive their own poverty and where do the PAPs fit into their system.

Belfore we discuss the recommendations emerging from the study, we sum up the major observations emerging from the study.

To start with, we observed that the available literature on poverty shows that poverty has declined in the different states in India through different strategies: Agricultural growth has helped Punjab and Haryana in reducing poverty, human resource development has helped Kerala, direct interventions of public nutrition programmes has helped Andhra Pradesh, land reforms, decentralized democracy has contributed to poverty reduction in West Bengal, and economic growth in the non farm sector has helped the states like Gujarat and Maharashtra in poverty reduction. However, it is clear that all these states will have to consolidate their gains by promoting a long term, employment intensive sustainable development.

Studies have shown that poverty alleviation programmes have contributed to poverty reduction in the short term by promoting transfer payments to the poor, though with some leakages. However, these programmes have contributed to sustainable or long term poverty reduction only in a very limited way. This has made the PAP strategy a very expensive strategy, which raises a basic question about the validity and desirability of the PAPs in the coming years. It is clear that the role of the strategy has to be limited if (1) it has a low long term success rate and (2) if it can help in removing poverty only temporarily – along with some leakages. Since the PAP strategy cannot be discarded, as we do not have alternatives of helping the poor in the short run, the critical question is how to maximize the returns of the strategy by focusing on its positive aspects. That is, the critical question is to examine which programmes works well and where to decide which PAPs to continue and in which areas.

A related question is that if the present PAPs do not address the needs of the poor in all the regions and situations, what is the additional input needed to the approach of poverty reduction. To put it differently, what are the needs, the perception and priorities of the poor, which are not addressed adequately by the a poverty reduction strategy? For example, is the vulnerability, insecurity,

exclusion and exploitation of the poor addressed adequately by the PAP strategy? And if not, what needs to be done about this?

The present study has attempted to study these two critical questions. Using the available literature on poverty in India and the evaluation studies of PAPs, including some of the latest evaluation studies of the newly structured programmes, we designed a primary study that surveyed comprehensively six villages in Gujarat selected from three different situations, namely semi-arid regions (Jambusar taluka of Bharuch district), tribal region (Dahod taluka of Dahod district) and an irrigated region (Dhanera taluka of Banaskantha district) to assess the long term and collective impact of PAPs in these villages. An attempt has also been made to examine the impact and approach of PAPs at the macro level as well as the perception, exploitation and priorities of the poor through appropriate survey methods.

The major results of the study can be summed up as follows:

- Gujarat state is one of the rich states in India, with its fourth rank in per capita income among the major states in India. The state has experienced a high growth rate of its economy in the post economic reforms period by accessing the newly available opportunities for growth. This growth has contributed to poverty reduction in the state to a considerable extent, though one is not sure how sustainable this poverty reduction is when the growth itself does not seem to be sustainable in several respects.
- The rural poverty in Gujarat is largely concentrated in certain regions – the eastern tribal regions, the northern plains and the Gujarat Dry region – as well as in certain socio-economic groups – landless labourers, marginal farmers, rural artisans and small farmers, and the population belonging to the scheduled castes, scheduled tribes and other backward castes. Poverty alleviation programmes are expected to these regions and these socio-economic groups. We have tried to examine how PAPs have performed in these different regions over the last two decades, and what are the constraints of the poor which are not addressed adequately by these different PAPs.
- Our study shows that self employment programmes have performed miserably in the long run in the semi arid and tribal villages. Though these programmes have done relatively better in the irrigated areas, they have helped mainly the non poor and the poor close to the poverty line. Even the newly restructured SGSY does not seem to have made much difference to these results.
- The wage employment programmes and infrastructure development programmes also have not made much impact on the poor in the long run – except that it has provided houses to some of the poor, with some

leakages to the non poor. These programmes also have created some assets at the village level. However, considering the fact that not all these assets are selected in the context of any long term plan for infrastructure development or the needs of the poor, the selection of the assets has not contributed as per the priorities of the villages.

- The wage employment programmes have also not generated any significant level of employment for the un/underemployed due to their thin spread across all villages as well as the non or small inclusion of environmental works and corrupt practices of implementation. Even the Gokul Gram Yojana has performed miserably in these villages.
- The watershed development programmes have created some hope, but the programme needs to be scaled up and modified to make it help the poor.
- The social security schemes are at too low a level to make any impact on poverty. These programmes are not even planned as a strategy of providing social protection and security to the poor.
- The PAPs fail to address the basic problems of insecurity, exploitation and dependence of the poor that tend to exclude them from the mainstream economy, with the result that the perception of the poor of poverty and their priorities are not reflected in the programmes.
- The programmes have raised the indebtedness of many of the beneficiaries (of self employment programmes) and turned many villages non-credit worthy, particularly in less developed and tribal regions.
- And, the last but not the least, is that the two decades of the PAPs have rendered people dependent on the government. The dependence mindset of the people has dis-empowered them considerably over the two decades of the PAPs.

Insights from the PPA Exercise:

The PPA study has added to our insight into poverty by unfolding some of the realities of the economy.

A major result of the PPA study is that the government and policy makers have a poor commitment to the poor. The basic services like approach road, water supply, electricity, sanitation, paving of roads, street lights etc. all are either less available to the poor or less accessible to the poor than to the general population. It is not that the general population is fully served by these services,

but it is certainly the case that these services are designed, operated and maintained in such a way that the poor at the bottom cannot avail them easily.

This lack of commitment is visible with respect to health and educational facilities also. These services are meager in terms of quantity and quality. With a lone nurse visiting villages irregularly and with no other reliable health facilities nearby, the poor have no option but to suffer or to incur debts to travel distances to reach health facilities. Similarly, with schools up to 1 to 4, 1 to 5 or 1 to 7 standards, along with much smaller numbers of rooms and teachers, and without any adequate facilities for secondary, higher secondary or technical education, the poor are not likely to be attracted to education. The discrimination meted to them for belonging to low castes as well as the poor quality of education imparted do not allow the poor to perceive education as a useful capability to live or to earn a living.

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Poverty As Perceived By the Poor

Poor do not perceive poverty as deprivation of livelihood alone, though this deprivation is a major concern of the poor. According to the poor, absence of the basic necessities of life and of basic services are both important indicators of poverty.

The structural dimensions of poverty, however, are emerging as an important issue in poverty. The socio-economic-political structure of our society leaves the

poor at the bottom asset less, powerless and excluded from the mainstream. The consequent vulnerability of the poor is seen a major problem by the poor.

The poor at the bottom are emerging as a special category in our study. These poor either lonely men or women (widows), widows with small children (female headed households), highly indebted casual worker households, large families with few earners etc. These households are extremely insecure, highly vulnerable and extremely poor.

Temporarily migrating poor are another category of the poor, who are leading unstable life with a lot of discomfort. They are able to eat, but are deprived of basic health, education and welfare.

In short, the concerns of the poor are quite wide ranging. The consequent priorities of the poor appear to be significantly different from what is perceived by scholars and policy makers.

Macro Policy Issues

Consultations with the poor have also thrown light on the constraints of the poor imposed by the macro development process in the state. The PPAs clearly indicate that the growth path adopted by the state is not really conducive to rapid reduction in poverty.

To start with, the neglect of agriculture is a major limitation of the growth process that hurts the poor the most. Though about 60 percent of the work force in the state is still dependent on agriculture, the sector whose long-term rate of growth of this sector is less than one percent against around 13 percent of the manufacturing sector! Agricultural development in the state is low, uneven and undependable (due to droughts), with the result that agricultural incomes are low and unstable. This affects adversely the poorest groups of landless labourers and small and marginal farmers. Predominance of rainfed agriculture also provides limited employment, mainly in the Kharif season. Agricultural population therefore suffers from a high incidence of seasonal unemployment. As our seasonality analysis shows, in typically Kharif area, the availability of employment even in the Kharif season is around 20-30 days, with extremely limited employment in the other seasons.

Another macro issue related to the livelihood of the poor is environmental degradation. As the participatory assessments have shown, environmental depletion and degradation have affected the livelihood of the poor very badly. Degradation of common lands, depletion of ground water, degradation of forests, degradation of land, pollution etc. have affected the survival and livelihood of the poor adversely.

Economic growth in Gujarat has not been able to generate enough employment for its people. The NSS round data of 1999-2000 clearly refers to the decline in the growth rate of employment. The performance of the non-farm sector has also decelerated, which implies lower employment avenues for the poor. The growth rate of the state economy in the nineties seems to be relatively labour saving. In spite of the huge industrial investments coming to the state, the state has not generated enough employment avenues in the state. On the contrary, there has been a continuous decline in traditional employment sectors, such as artisan work, craft, cottage industries etc.

Poverty Reduction Strategies

Our consultations with the poor have shown that the poverty reduction strategies adopted by the state need to be modified in several respects.

It needs to be noted that poverty reduction primarily depends on the rate and pattern of macro economic growth. When the rate and pattern are favourable, they can generate enough livelihoods for the poor at the bottom. For this purpose, economic growth has to be (a) agriculture based (b) environment friendly and (c) employment intensive. Even though one accepts that non-agricultural sectors are important for Gujarat's economic growth, agriculture in the state needs to be stabilized. The experience in Gujarat also indicates that a high growth rate per se cannot reduce poverty rapidly. Growth does not percolate to different regions and trickle down to the different segments of the population automatically. This requires appropriate functioning of the factor markets, which implies appropriate components in the growth strategy. That is, appropriate growth is to be promoted in backward regions and attempts are to be made to include specific socio economic groups in the growth process. The processes of marginalization and exclusion within the macro growth strategy need to be contained.

The socio-economic political structure of our society is much more complex and the structural constraints are much stronger than what policy makers would like to think. The small group of elite that enjoys social, economic and political power in our rural areas is in a position to exploit the vulnerable and the powerless at the bottom. They are also in a position to grab benefits of development, preventing the percolation of these benefits to the lowest strata. Any poverty reduction strategy has to take note of this. A strategy that does not recognize this reality is bound to fail.

The exploitative unilateral dependence of the poor on the rich requires that this dependence is attacked under poverty alleviation strategy. Somehow this aspect has been neglected by our poverty reduction strategies. The poor feel insecure due to several risks, such as risks arising from sickness, loss of job, environmental degradation, natural disasters etc. Providing protection to the poor

against these risks has to be an important component of any poverty reduction strategy.

Poverty alleviation programmes cannot be treated independently of the development process. These need to be integrated within the mainstream development process. When PAPs are designed and implemented as scattered programmes without much integration with the mainstream economy, they are not likely to be much successful.

Some of the institutional issues like governance, Panchayat raj institutions and social capital are critical issues as far as poverty reduction is concerned. Without a proper institutional base and efficient governance, it is not easy to eradicate poverty.

It is important to note that reduction in poverty in different dimensions do not go hand in hand. For example, reduction in income poverty does not automatically reduce human poverty. It is important to note, that there could be trade off among the different types of poverty reduction also. For example, income poverty reduction achieved through migration creates obstacles in promoting education and health. It is necessary therefore to understand the dynamics of poverty reduction well while designing a comprehensive strategy for poverty reduction.

In short, our consultations with the poor have helped in getting some insights into the dynamics of poverty in rural and urban areas of Gujarat. It is necessary that these insights are utilized in modifying poverty reduction strategies in the state.

Recommendations

In the light of the above discussion, we would like to recommend the following:

In the context of the above discussion, we would like to make recommendation for a restructuring the PAP strategy for poverty eradication. These recommendations are based on the following premises:

- Poverty alleviation programmes should be integrated with the development process, as far as possible,
- They should, result into sustained poverty reduction,
- They should address the constraints of the poor and should empower them
- The programmes should be administratively viable and feasible, and should involve the poor as active performers, and

- PAPs need not by themselves eliminate rural poverty. Their role is to supplement and complement the healthy growth process, which is ultimately responsible for elimination of poverty.

Self Employment Ventures :

1. Since self employment ventures (even in a group of 10-15) of the poor are not likely to be viable in less developed regions, like arid and semi arid regions, tribal regions etc, it is necessary to scrap these programmes in these regions, as these programmes will only promote corruption and indebtedness of the poor.

The only exception should be well designed large scale projects that involve a large number of self employment ventures, that are also implemented systematically and are capable of diversifying the local economy. The SGSY approach does not seem to be capable of doing this. Such projects should be implemented professional bodies, including professional NGOs, and not by the present machinery.

2. The SGSY programme seems to be a workable self-employment approach. However, it must be kept in mid that there are no short cuts to expedite the process of development of sound self employment ventures. Social mobilization, development of strong self help group, identification and comprehensive planning of viable economic activity, establishing and managing linkages with a bank and then setting up of micro enterprises is a long term process, though the time required will depend on the specific situation. Involvement of professional bodies/NGOs is essential for the purpose. The present implementation of the SGSY at present does not seem to be doing this. There is always hurry about setting up groups, accessing bank finance and starting economic ventures.
3. Success stories from the field, such as, Lijjat Papad, SEWA embroidery work, Srujan Garments etc. suggest that for the groups of the poor self employment ventures to survive, it is necessary to acquire a large scale, quantum jump in technology and better techno-managerial inputs.
 - Several SGSY groups, federation of SGSY groups should produce one product to take advantage of the large scale economies. Such a federation can afford better marketing – quality control, brand name, aggressive advertisement and collective sale network. Also they can afford professional management, centralized training in skills, accounting and management.
 - A large scale can also be acquired by a product line approach, with different SGSY groups undertaking different activities linked with each

other. For example, nursery, cultivation of crops – seeds, processing of seeds into product and selling it, or any such set of activities on a scale.

- Quantum jump in technology and in professional management are two important inputs needed for self employment ventures to survive in the market. Linking such federation of units to technical and managerial institutes, training rural youths through such institutes for specific project would help considerably.

In short, SGSY groups need to be provided a large scale, and quantum jump in technology and management. There is a need to go slightly beyond the present SGSY. We propose that promotion to self employment should always be done through the project approach, without targets, with the assistance of professional expertise. The poor need much more than micro finance – they need technical support, training, insurance to meet risks and uncertainties, management capabilities and much more. They do not subsidies, but they need sound financial and overall management and support to face crisis and risks. One major lesson that needs to be learnt from the past experience is that one needs a cautious and systematic approach in promoting business ventures of the poor.

4. Inclusion of APL households in self-employment projects could be allowed, say up to 20 percent of their membership. After all, it is not necessary that the poverty of the poor should be entirely removed by the poor. Inclusion of APL households may help the project, but care should be taken to see that the APL households do not hijack the project.
5. It needs to be reiterated that the self employment projects should be handled by NGOs with professional expertise, and not by the government machinery. The role of the administration is mainly in facilitating the project. Mother NGOs and professional bodies may be encouraged to train such NGOs. The process of selection of such NGOs should be done carefully based on a set of norms.
6. Considering the fact the role of the government is different in the new project approach, it calls for training the staff of government machinery that would be involved in this work.
7. Access to finance is a major constraint to promotion of self employment enterprises of the poor. Most banks are reluctant to help such ventures under any government programme primarily because they are not sure of the soundness of the project. Organizations like NABARD and SIDBI can help, but only up to refinancing. It is necessary therefore to involve banks or their representatives in the project right from the beginning.
8. There is no point in putting a ban on promoting individual ventures. What is needed is that they should be given a financial subsidy only after the

loan is repaid. Subsidies is a major source of corruption and it must be avoided as much as possible.

In short, generating self employment in any sector implies integration of the new ventures with the regional economy or promoting the development of that sector in the economy. This is a serious business that needs a sound approach. .

Wage employment programmes

These programmes have two major objectives: (1) Generation of employment for the un/under employed so that the surplus labour is used for creating assets that would promote economic growth, which would, in turn, absorb the surplus labour in the mainstream economy in the long run. As Dantwala put it, the success of the programme is that it is needed less and less in the economy, (2) The second objective of wage employment programme is to construct facilities in rural areas. Though there is some overlapping in the two objectives (for example, construction of an approach road, minor irrigation work, plantation for fodder and fuel etc), both the approaches differ in some ways: The former approach focuses on generation of unskilled employment, while the latter may need skilled workers. The labour – material cost component as well as the skilled – unskilled labour component in both types of works would be different.

We suggest that wage employment programmes of the former type should be restricted to only those areas where there is a demand for such work by the unskilled poor. Such areas would also need massive environmental works (as these areas are usually environmentally degraded) and labour intensive infrastructural works (such as approach road, stone paving in the village, constructing local water harvesting structures for drinking water etc.).

We also recommend an employment guarantee scheme for such areas (only) because (a) it will ensure a guarantee of work which will discourage migration of the poor, who will then be able to access, health, education and welfare services, (b) it will expedite the construction of environmental and the infrastructural works which will provide a basis for promoting further economic activities in the region, (c) it will give a political power in the hands of the poor who will be able to demand work as a right rather than as charity, and (d) this will improve their economic strength and reduce their vulnerability.

Learning from the Maharashtra's EGS, it needs to be added that the planning component of the scheme should be very strong and works should be undertaken in the context of a long run plan of drought proofing. Also, it should be followed by helping the poor to set into mainstream economic activities like horticulture, fisheries, forestry etc. A special cell may be set up in EGS districts to promote systematic planning of works as well as their follow up.

It is important to add that the **scarcity works** – the short term generation of temporary work for the poor – should be scrapped in these regions. Instead a long term employment guarantee scheme should be introduced. It has been observed that these scarcity works neither drought proof the regions – not even in the long run – nor provide any real relief to the poor.

The other kind of wage employment programme, namely the infrastructural programme that constructs minimum infrastructural facilities like water works, anganwadi room, primary school rooms, toilets and sanitation facilities, health centre, multipurpose community hall, etc. in rural areas also should be restricted to limited areas, for an altogether different reasons, that is, lack of funds. Spreading the limited funds too thinly in all the regions has not helped in ensuring minimum facilities in most regions. It would be useful if 1/5th villages are selected every year, starting with the poorest and remotest villages, under such a programme. A five year plan need to be prepared for each village that is covered under the programme. This will ensure a set of minimum infrastructure to the most backward 1/5th villages within a span of five years, as also progressive improvement in other villages gradually. The Gokul Gram Yojana of Gujarat has accepted this approach, though unfortunately it is not implemented will for lack of good designing of the programme and the lack of funds/commitment to the programme.

The implications of the above on the present programmes would be as follows:

1. The EAS as well as the JGSY would be targeted only in selected districts. An attempt may be made to see that the same villages are covered under both the programme at least in the first year though it is not necessary.
2. It will be necessary to set up planning cell with the local panchayat, supported by the taluka panchayat and district panchayat.
3. The funds would be allocated on the basis of the goals – of providing employment to all and of ensuring a minimum set of infrastructural facilities within five years – of the programmes.
4. There is no need to allot fixed percentages to SC/ST etc. as this will be taken care of in the long term plans.

Watershed development programmes would be a part of drought proofing strategy, which may be undertaken also as a part of the proposed employment guarantee scheme. Though one realizes that there will be some trade off between the employment guarantee and selection of the type of the assets and the location of the assets to be included in the programme, what needs to be emphasized is that the works to be undertaken under the employment guarantee scheme should be mainly in the context of a long term programme, drawn systematically for watershed development.

Social security schemes

Social security schemes need an entirely fresh focus. The starting point of the new focus would be the objective of providing protection to the poor against the risks and uncertainty that they face, and against their exploitative dependence on the rich. That is, social protection should empower the poor and enable them to stand on their own feet. Considering the fact that the empowerment of the poor comes not only from social protection, but also from social mobilization which gives them a collective strength, it is necessary therefore to combine both these elements effectively.

- Self help groups can go a long way in mobilizing the poor for promoting their economic and social strength. Self help groups can help the poor to save, and to borrow from their own funds for their small needs initially and bigger needs later on. That is, SHGs can contribute significantly in plugging the sources of exploitation of the poor and in reducing their dependence on the rich.
- Self help groups can also be a starting point for improving the bargaining strength of the poor in the rural society. Innovative schemes like grain banks, seed banks, social insurance etc. can be added to help the poor to face their vulnerability and insecurity.

It is important therefore not to view self help groups only as a means of reaching to economic activities. Its strengths are many more, in the priority areas of the poor. These groups should be seen as a means of empowering the poor economically and otherwise. The government may support them by lending them a revolving fund.

In order to design a concrete programme for providing social protection to the poorer, it is important to understand the nature of risks that they face and the type of exploitation that they are subjected to. Keeping these in mind we suggest the following:

1. Food Security: Food security is a basic security for the poor as it protects them from starvation, the worst kind of vulnerability. It is important to assume this security to them! We have seen above that the food security does not reach the poor, not so much because there is any problem with targeting, but it is because (a) the poor have no cash available with them to buy foodgrains and (b) the shopkeepers are able to cheat the poor to deprive them of their dues. The solution, once again lies in the employment guarantee scheme on the one hand and social mobilization, including self help groups on the other hand. The former would provide them cash, while the latter would give them the collective strength to demand the right..

There is a debate going on in the literature whether targeting is possible under our Public Distribution System so as to reach the poor, particularly at the bottom

or whether one can go for universal PDS to ensure that the poor are not left out. Studies have shown that the present PDS in India is subjected to the errors of exclusion (of the poor) as well as the errors of inclusion (of the non-poor). Since the former errors are more harmful from the point of providing food security to the poor, universal targeting seems to be the only way. One can, of course, use self-targeting mechanisms such as distributing coarse grains, to keep the rich out. Geographical targeting is another approach of minimizing leakages.

2. Health Security: Sickness and injury is a major source of insecurity of the poor leading to their vulnerability and poverty. Providing health security therefore has to be a major component of security to the poor. A sound health insurance scheme that covers the major risks, including maternity benefits, is a must. Such a scheme can be partly self contributory and partly financed by employers and government or could be fully contributed by the government. Group insurance/schemes can be very relevant here.

3. Social Security - Assistance and Insurance: The other critical risks the poor face are due to the death of the earner in the family, old age, widowhood and loss of productive assets (for example, death of milch animals) or crop failures. These risks can hurt them significantly. A minimum set of insurance and security to the poor to cover the risk is essential. The present approach of giving scattered sporadic help just does not help.

The expansion of the content and coverage of social protection to reach some kind of a meaningful protection of the poor against vulnerability requires political commitment backed by financial resources. The allocation will have to increase many fold along with a well designed strategy of social protection. It needs to be added that the designing and implementation of the programmes under this new strategy will have to be carried out under a decentralized framework.

Mega Projects and the Rural Poor

Mega infrastructural projects and mega industrial projects have increased in the post – liberalization period, as each state wants to improve its infrastructure and each state welcomes mega industries to promote economic growth. Big ports, air ports, power station, roads, dams as well as large mineral projects and industries are planned by various state government either in the private sector or on public-private partnership basis. However, such projects though located in rural areas are not able to enrich the rural hinterlands. This is because the factor markets, particularly the land, labour and capital markets in rural areas are distorted and therefore are not in a position to reach the benefits to the local people. In other words, these projects become alien to the local economy, taking away the local material resources, spreading pollution and affecting the livelihood of the poor adversely⁷. For example, such projects take away village common lands or lands

⁷ This is based on our study on Impact of Large Scale Industries on the Regional Economy in Gujarat

of small farmers, draw the local ground water, create pollution without giving adequate benefits to the local population.

Such mega projects are being implemented in almost all the states, right from Orissa to Gujarat and Tamil Nadu to Uttaranchal. These projects have raised opposition from local people creating tension, leading frequently to violence. There is a need therefore to have a policy on this so as to enable the hinterland to access the fruits of development. This may be called a Linkage Programme. The programme should include the following:

1. Project should come to the village/region after an open consultation with the local elected bodies, and people's organizations. That is, there should not be any secrecy about the project/industry.
2. The acquisition of land should be done as per the market price, and the prices should be put up on the panchayat notice board for all to see. The Land Acquisition Act should not be misused to serve the vested interests of the rich.
3. A plan should be designed to train local educated youths in consultation with local schools, including ITIs, polytechniques, degree colleges so that the employment benefits would reach the locals.
4. The project/industry should have a component of improving local infrastructure – road, water supply, electricity, parks, dispensaries, hospitals etc. which would be made available to both the workers employed in the mega projects as well as the local population, and
5. There should be a good package for rehabilitation of those who are likely to lose their livelihood due to the project. Such a package can be worked out in consultation with local people as well as the concerned officials.

Identification of the Poor

Identification of poor households is a highly difficult task as the poor, who are usually weak and exploited, are likely to get some special benefits which are denied to the non poor, if they are identified as "poor". Since the powerful non-poor, and particularly the rich in the village, want to access the special benefits of the weak poor, it is very difficult to control the rich from accessing the special benefits or the exclusion of the poor from the benefits. We, in India, have tried different methods, but have met with limited success.

It is therefore suggested that the government should use self targeting or geographical targeting as far as possible. For example, wage employment programmes for unskilled labour, or employment guarantee schemes in backward regions will minimize leakages to the non-poor. Universal targeting also may be used in those cases where the benefits are needed to be given to

both, the poor and the non-poor. For example, ICDS or programmes for mothers and pregnant women can be designed for the entire population.

Individual targeting should be used only in limited cases, such as social protection schemes, self employment ventures etc. (up to 20 percent APL households should be allowed in these programmes). Effective targeting in these programmes can be achieved through exclusion criteria as well as inclusion multiple criteria. The multiple criteria could be those which can be easily identified, like Kachcha house, land holding size, consumption expenditure, child labour etc. Though one would like the Gram Sabha to give the final shape to the list, the fact remains that Gram Sabhas do not meet in most villages. It will be useful therefore to put the entire list of the poor on the panchayat notice board, along with the exclusion and inclusion criteria. Each Panchayat should have a mechanism for entertaining complaints and grievances. A village committee consisting of acceptable members to all should entertain the complaints. .

Institutional and Administrative Aspects

One major lesson emerging from our study is to decentralize the designing and implementation of pro-poor interventions. For example, what is valid from the tribal regions, would not be valid for arid regions or to irrigated and semi irrigated regions. Also, the states in India have evolved innovative schemes as per their approach/strategy and the needs. The dilemma here is that if things are left to the states, they tend to divert the funds to unproductive government expenditure (like paying salaries of government employees), but if the schemes are designed at the Centre, they do not fit into the specific needs and approaches of the states.

The solution perhaps lies in giving conditional funds to the states, under broad guidelines. Each state should be asked to prepare its poverty reduction strategy which would include PAPs as well as the macro policy interventions. The number of the central schemes must be reduced to the minimum so as to promote state level approaches. Gokul Gram Yojana could not succeed largely because the state government did not have funds for the programmes, or the sustainability of the nutrition programmes in Andhra Pradesh is difficult because the state does not have enough funds. It needs to be appreciated that what works in a commercial culture of Gujarat may not succeed in the welfare oriented culture of Kerala. Every state should be asked to formulate its poverty eradication strategy, going beyond the PAPs,

If the SGSY is made project based, to be operated by systematically by professionally oriented NGOs, it is clear that the programme details cannot be designed at Delhi. If drought proofing is to be planned in a region, the details will have to be designed at the macro/micro watershed level. Also, how much to spend on self employment ventures and how much on employment programmes, needs to be decided at the state level and lower levels. In short, the centre's role will be only of providing broad guidelines of interventions.

This calls for two major changes : (1) radical improvement in the government administration, and (2) quantum jump in the capabilities of PR bodies.

The Development Administration: A lot has been written about the inefficiency, rigidity, non-accountability, dishonesty and insensitivity of the development administration. Is it possible to do anything about this?

We suggest that the development administration should be made accountable to people, Panchayat bodies and people's organizations. For example, the talati and the VLW should be put under the Sarpanch, the TDO and his office should be made accountable to the taluka panchayat and the DRDA should come under the Zilla Panchayat. The salary of the primary schools teachers or the talati and VLW should be released by the Gram Panchayat, and the salary of the taluka level officers should be released by the taluka panchayat president and so on. The panchayat bodies, however, will have to stand on their own feet. Their income should come from taxes, and grants should be given to them only if there is people's contribution from the local population, varying from 15 percent of the grants in poor villages to 25 percent of the grants in relatively developed villages.

It is frequently suggested that a new cadre – out side the mainstream bureaucracy should be appointed. However, this is not likely to work because the new cadre will not be able to work with the present cadre if the present cadre remains the same, and the new cadre will soon ask for the same benefits and terms of employment that the government administration gets. What may work here is:

- Space should be created for experienced experts like professionals, NGO representatives etc in the development administration in order to de-bureaucratize the bureaucracy. Appointments should be made of highly motivated professionals and workers at the different levels in administration. This could be done on an exchange basis or on temporary basis.
- Concerned officers of the development administration should be made to spend some time with prominent NGOs. They should also be trained. Special training should be organized, through professionals, for sensitizing the officers at all the levels.
- The administration should be made accountable for their performance. This would include the officers at the taluka and district level also. However, their performance should be evaluated not by targets, but by tasks, intermediate, measurable goals. Rewards, if not punishments should be introduced, in terms of an extra involvement, cash prize etc.
- Evaluation studies should be organized by independent agencies. And steps should be taken for achievers and poor performers.

- Vigilance/Grievance Committees should be set up at different levels, their appointment should be announced all over, including on the notice boards of Gram Panchayats. Such committees should be accessible to the poorest of the poor, whose identity should not be disclosed as far as possible. Strict actions should be taken against corrupt staff/officers.

Panchayat Raj Institutes

As far Panchayats are concerned, there should be complete transparency about the working of panchayats. Each panchayat should have the following on its notice boards:

- A. the list of the programmes/schemes for the poor
- B. the funds/grants received by the panchayat every year
- C. the accounts of the panchayat – on monthly basis and yearly basis
- D. the activities undertaken by the panchayat
- E. the prevailing wage rates in the village, and
- F. the names of the talati, the VLW of the village along with the time when he/she would be available.
- G. the dates of gramsabhas, the agenda of the forthcoming meeting and the minutes of the earlier meeting.

Any violation of these rules should be punished in terms of reduction in grants. Penalty – in terms of reduction in grants – should also be charged to those state governments that do not hold panchayat election on time.

The panchayat bodies, and particularly the gram panchayat should be strengthened by (a) making them raise the least a part of the total funds through taxes and people's contribution, (b) giving them powers for supervising the local administration, (c) making them work through committees, and not individually, for all major decision, and (d) making a well designed training programme mandatory for the members.

The final solution, however, lies in the mobilization and empowerment of the poor. The employment guarantee scheme, the social protection, the focus on wage employment programmes and promotion of self help groups are some of the steps which may go a long way in this context.

The focus of our recommendations has been on addressing real constraints of the poor and on suggesting only those interventions, relating to the schemes and programmes, which are likely to work. It must be noted that there is no point going on wasting money if the results are not likely to come. After all, elimination of poverty can not be brought about by PAPs alone. It needs to be acknowledged that the ultimate elimination of poverty has to be achieved through the right kind of economic growth.

It is necessary to removal poverty alleviation programmes. Wage employment programmes are to be raised in size and substance both. These programmes can be used for protecting the massive environmental degradation of the environment in the state by proper planning of these programmes. In fact, we would also recommend integrating systematically the large-scale scarcity works, which are carried out in the state almost every year, with these programmes. A guarantee component in these programmes can contribute significantly in empowering the powerless at the bottom on the one hand and in reducing massive migration of the poor on the other hand. Introduction of an employment guarantee scheme in some backward talukas is worth experimenting before the scheme is expanded to other such talukas.

Self employment programmes under IRDP, DWCRA, TRYSEM or now SGSY do not seem to be working well in terms of involving people from the bottom for poverty reduction. In this context we propose some alternative approaches of promoting healthy rural enterprises: (1) Product line approach which could establish strong linkages between rural enterprises while diversifying the economy; (2) linkages with training institutes such as, poly-techniques for developing rural/urban enterprises; (3) linking cultivation/forestry/plantation with remunerative markets; (4) linking primary/traditional production with modern processing and management are some of the approaches which may help considerably. This also means that self-employment programmes should be implemented in the form of sound projects rather than as a programme with blanket norms.

BPL lists is a major area of dissatisfaction as far as poverty alleviation programmes are concerned. It is important therefore to improve the methods of targeting under anti poverty programmes. We would like to recommend geographic targeting, self-targeting and universal targeting in this context. There is good amount of literature available on the use of these methods.

Attacking Dependence of the Poor

An important component of the poverty reduction strategy will have to be attacking the dependence of the poor on the non poor for survival. As our consultations have revealed, the different risks that the poor face make them vulnerable and exclude them from the mainstream. Such risks tend to push them into exploitative relationship with the rich, which makes them weak in many ways. Unless this dependence is attacked and the poor are empowered to stand on their own feet, it is difficult to integrate them into the mainstream development.

In this context we recommend the following steps

- A well designed set of minimum social security schemes that provides security against major risks, such as, illness, injury, death etc. to the poor.
- Self help groups, not so much for income generating activities, but for improving access of the poor to credit to meet emergencies and crisis.
- A good PDS shop conveniently located, with regular supplies of essential commodities. Grain banks may also contribute significantly in this context.
- An employment guarantee scheme, particularly for poor and backward regions of the state.

Summing Up

Gujarat is one of the fastest growing states in India today. However, this fast rate of growth is not conducive to rapid reduction in poverty in its multiple dimensions. Our participatory poverty assessment has thrown light on the processes that create obstacles in rapid reduction in poverty in spite of the rapid rate of growth of the state economy.

Both the conventional survey as well as the PPA has provided good insight in to the issues of poverty in Gujarat. The recommendations emerge from the studies need to be understood and implemented in the state.

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