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## Current Indian Economy: Challenges, Opportunities and Policies



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## Implementation challenges of Rural development area

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### Abstract

The term rural development is the overall development of rural areas to improve the quality of life of rural people. And it is a process leading to sustainable improvement in the quality of life of rural people, especially the poor (Ramesh, 2012). The rural developmental programmes intend to reduce the poverty and unemployment, to improve the health and educational status and to fulfill the basic needs such as food, shelter and clothing of the rural population. To improve the conditions of rural people, Government of India launched some schemes through the planning commission of India such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Rastriya Sama Vikas Yojana (RSVY), Indira Awas Yojana (IAY), Sampoorna Grameen Rozgar Yojana (SGRY), Integrated Tribal Development Project (ITDP), Pradhan Mantri Gram Sadak Yojana (PMGSY), Integrated Child Development Services (ICDS), Development of Women and Children in Rural Areas (DWCRA), etc. All these schemes are aimed to reduce the gap between rural and urban people, which would help reduce imbalances and speed up the development process.

Key Words:- Rural, Development, Social, Reformers.

### Introduction

In a predominantly rural country like India the importance of rural development in driving the nation's development cannot be overemphasized. At present, there are a number of ambitious rural development programmes in place. In this article, I analyse the issues in the implementation of rural development programmes<sup>1</sup>, based on my experience of working closely with the district administration in Nagpur district of Maharashtra and with the beneficiaries of programmes at the grassroots level. I also make suggestions to ensure better implementation and results. With a majority of the population living in rural areas in India, rural development is key to the development of the country. Based on his experience of working closely with the district administration in Nagpur district in Maharashtra, Pushkar Pahwa discusses the issues in the implementation of rural development programmes on the ground, and makes suggestions to improve their effectiveness.

### Credit linkage under NRLM: Forced or demand-based?

The National Rural Livelihood Mission (NRLM) is a poverty alleviation programme of the Ministry of Rural Development that aims to bring at least one woman from each poor, rural household into the self-help group (SHG) network, and enable them to access gainful self-employment and wage employment opportunities by providing them with microfinance. An important component of NRLM is bank linkage of women SHGs to ensure access to hassle-free loans and other banking products and services for livelihood activities, which they lack individually because of their poor economic status. However, the emphasis is merely on achieving the annual targets<sup>2</sup> of the number of SHGs provided with cash credit by each bank branch in the district, and not on the effective usage of these loans. What is often ignored is the difference between 'forced lending' and 'demand-based lending'. Due to a lack of micro planning, the loan money is often used for unproductive purposes rather than for undertaking a remunerative semi-skilled/skilled activity. The focus on achieving the annual target in the last quarter of the financial year further contributes to the 'forced' nature of the credit linkage. As a result many SHGs fail to make timely repayments. This is a lose-lose situation as on the one hand, it leads to an increase in Non-Performing Assets (NPA) of the banks, which in turn makes them



reluctant to further lend to this segment; on the other hand, the SHGs become debt-ridden due to unwise use of loans.

#### **Skill training under NRLM: End in itself?**

To fulfil the livelihood training objective of NRLM, many trainings for skill development are organised by the district administration to enable SHGs to undertake skilled and high-income activities such as tailoring, incense stick making, gardening, running canteens etc. With a sound business proposal it becomes easier for them to 'cajole' bank managers to approve their loan proposals.

However it is a sad fact that instead of being a means to enhanced income and improve livelihood, the trainings merely become an end in themselves with neither side taking the learnings forward to ensure that the trainings result in successful livelihood projects.

#### **MNREGA: Guidelines vs. practice**

Huge gaps exist in the implementation of programmes vis-à-vis their guidelines. For instance, the Intensive Participatory Planning Exercise (IPPE) guidelines for preparing labour budgets<sup>3</sup> under MNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) mandate that the block planning teams responsible for conducting household surveys should have a female member who would be the representative of upa sangha (women SHGs representative body at the gram sansad<sup>4</sup> level) to ensure convergence between MNREGA and IPPE. However, the actual composition of planning teams is not uniform across blocks and in many cases female representatives are missing. This leads to the question of how participatory, in reality, the IPPE has been?

Lack of wider community participation in preparing social and resource maps<sup>5</sup> as a part of the IPPE exercise, as mandated by the guidelines, again lead to the exclusion of demands of the most vulnerable.

#### **Human resource crisis: Cliché or reality?**

Often human resource shortage is cited as the reason behind poor development in remote and conflict-affected areas. While it is true to an extent that the district administration in difficult areas is constrained by the lack of manpower, what is of concern is how efficiently the existing human resources are utilised.

In this context, I would like to mention the ambitious fellowship programme of the Ministry of Rural Development called Prime Minister's Rural Development Fellowship (PMRDF). The PMRDFs are highly qualified and self-motivated young professionals appointed for a period of 2-3 years to work as development catalysts with district administrations in the most backward districts in the country. The fellows are completely at the disposal of the district magistrate who can involve them in any works related to rural development.

With manpower crunch, it is expected that the PMRDFs would be 'utilised' well by the district magistrates in planning, execution and monitoring of various works in the district. However in reality, there is a huge disparity in the way the PMRDFs are being treated by the district administration and how they function. While in some districts that are led by motivated and proactive district magistrates, the PMRDFs have made significant contributions to the district administration, in many other districts, they are not being utilised as per their calibre and have ended up as glorified clerks preparing note sheets.

Another area of concern in this context is the quality of training imparted to the cadre of workers appointed to work at the grassroots level. For example, in Purulia district of West Bengal, there has been a lot of recruitment of ground staff under NRLM in the past year. These include community service providers (CSP), sangha coordinators<sup>6</sup> (SC) and district-level trainers (DLT), who are the key players in ensuring the success of the programme. However due to lack of effective training programmes for the staff and no objective performance appraisal format, they are hardly able to make significant value addition. Also, many a times even the efficient and motivated personnel are



removed due to personal vendetta or political considerations leading to failure of the programme. For example, a pilot project of the West Bengal government called Muktidhara, which aimed at improving livelihoods, suffered badly in Purulia district when the employment contract of the district project manager was not renewed despite the existing manpower crunch - leaving the project leaderless.

Another aspect is the lack of awareness of the district administration of the presence of a cadre of motivated community personnel who have been well-trained in best practices by non-governmental organisations (NGOs). In Purulia district, there exist a large number of Mahila Kisans (MKs)<sup>7</sup> who have been trained by the NGO Lok Kalyan Parishad (LKP) under the Mahila Kisan Sashaktikaran Pariyojana (MKSP)<sup>8</sup> in modern agricultural practices and organic farming. There is also a cadre of female farmers trained in dryland agricultural practices by NGO PRADAN. However, the presence of both of these is limited to the areas where NGOs are working in partnership with the district administration and no efforts have been made to replicate their success in other areas by conducting trainings with the already trained MKs as master trainers.

Therefore, ensuring more efficient utilisation of the talent available with the district administrations would contribute immensely to better implementation of development projects.

### **Way forward**

A common thread in the issues outlined above is the lack of an efficient leader. With most government officers considering posting in backward areas as punishment postings, the attitude is that there is nothing more to lose by not performing. So ironically, while we should be having the best and highly motivated officers to accelerate the process of development in hitherto underdeveloped areas, what we actually have is a cadre of uninterested officers waiting for their punishment postings to get over. Thus, what is needed is to transform these so called punishment postings to prized postings, which attract the best of talent to such areas. This can be done by offering additional perks like hardship allowances or by assuring more sought after postings after the officers have served well in such areas for a minimum period.

### **Unburden the district magistrate**

The office of the district magistrate in most of the backward districts combines within itself the functions of revenue, development and law and order, which overburdens the district magistrate, leaving little time for development administration. Thus, the district magistrate tends to only focus on developmental issues that he/she considers more important and the whole direction of development is steered as per his/her priorities. It is high time that the principle of division of work is adhered to and the district magistrate unburdened by appointing a separate district-level officer as the executive head of the Panchayati Raj body for overseeing development administration in the district.

### **Strengthen feedback mechanism**

The officers at the district level often feel that their only role with respect to the policies of the central government is implementing them as per the guidelines. While there are huge lacunas even in putting theory into practice, a crucial link that is missing in policy formulation is the feedback on existing policies which should come from the officers in charge at the lowest tier of development administration, that is, either the block development officer or a district-level officer in charge of development administration. An efficient institutionalised feedback channel should be established so that the challenges faced are brainstormed by those involved in policy formulation and implementation, and the learnings can be incorporated in the policies to make them more effective. The absence of institutionalised feedback mechanism will only lead to ineffective policies getting implemented in an inefficient manner.

These are some easy steps that can ensure better outputs and outcomes of rural development programmes in the times to come.

Notes:



The analysis is based on the National Rural Livelihood Mission (NRLM), Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), and Prime Minister's Rural Development Fellowship (PMRDF), with focus on NRLM.

The targets are recommended by the district administration and are finalised by the State Level Bankers Committee (SLBC), which has representatives from both the State Rural Livelihood Mission and banks. Lending to SHGs is covered under Priority Sector Lending (PSL) requirements for banks.

This is to be formulated annually and contains the details of works to be undertaken under MNREGA in the next financial year, number of man days required to complete a particular work, and finances required for the same.

Due to large area under the Gram Panchayats in Maharashtra, the three-tier Panchayati Raj structure extends to a fourth and informal tier of local governance - Gram Sansad. This is a small area under the Gram Panchayat. A number of Gram Sansads make one Gram Panchayat.

These maps show the layout of residential houses, institutions, and amenities in an area. They provide information about the existing assets (drains, hand pumps, schools, etc.) based on which the communities can determine what other assets are required and could be built under MNREGA, subject to what is permissible.

Sangha is a Gram Panchayat-level body, which consists of representatives of all women SHGs in that Gram Panchayat area.

MKSP is a sub-component of NRLM which aims to improve the capabilities of women in agriculture by organising them into SHGs.

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