

# **Priorities of the Poor and Appropriateness of Poverty Alleviation Programmes**

**A Study of Mahbubnagar and Prakasam Districts in Andhra Pradesh**

**Sponsored by**

**Planning Commission of India  
(Socio-Economic research Unit)  
Government of India  
Yojana Bhavan, Parliament Street  
New Delhi 110 001**

**October 2003**

**Dr. Joseph L. Plakkoottam  
Mr. M. P. Madhusoodhanan  
Mr. Priti Ranjan Dash**



**DEVELOPMENT MANAGEMENT NETWORK**  
*Pune and Hyderabad*

# Chapter 5

## Conclusions and Recommendations

This study has briefly reviewed the performance of select poverty alleviation programmes implemented in Andhra Pradesh. These programmes are broadly grouped as (a) Consumption support; (b) Wage employment; (c) Credit for self-employment; (d) Asset provision; (e) Land reforms; and (f) Natural resource management programmes. This chapter sums up the performance of these programmes as reflected in the experience of the sample households and as emerged from the consultations with the community groups, government functionaries, and non-governmental organisations.

### 5.1 Consumption Support: Public Distribution System

The triumph of the public distribution system in Andhra Pradesh provides one of the few success stories among Indian states. The PDS has tried to provide subsidised food grain and other essential commodities to the poor people in both rural and urban areas. Until recently, the PDS was nearly universal in its coverage of Andhra Pradesh. However, conforming to the national policy prescriptions, there have been efforts to target the provision of subsidised food grains and other essential consumption items so as to prevent the non-poor from taking advantage of it. This was expected to reduce the burden on the government in terms of food subsidy. Various schemes have been devised for poor people living at different levels of poverty. Hence the origin of (a) BPL ration scheme for people below poverty line; (b) Antyodaya Anna Yojana for the extremely poor; and (c) the provision of free rice to the few poorest of the poor.

The study has brought out mixed responses regarding the performance of PDS in the study area though there was consensus about the utility and appropriateness of the programme for the poor people. Some of the observations are as follows:

- (a) The PDS has enabled food availability at the local level at affordable rates. This has contributed to a large extent in ensuring food security to the poor.
- (b) There are a substantial number of non-poor people benefiting from the PDS. Out of the total PDS beneficiaries nearly 60% are reported to be 'non-poor' according to the poverty line criteria. However, since the poverty line has been defined at a bare minimum subsistence level, many of these non-poor could also be safely treated as poor. At the same time, a major part of this non-poor is not eligible for subsidised food schemes. Any kind of misappropriation of programmes meant for the poor people, by the non-poor/non-eligible must be eliminated. This can be achieved only by inculcating elements of transparency in the selection process. The Panchayati Raj institutions at the local level are suitably placed to check whether there is any malpractice in this process. The selection and review of the beneficiaries under PDS must be done in a Gram Sabha where everybody in the village is present. And more importantly, the decision of the Gram Sabha must be legally binding.

- (c) The quantity of rice issued through PDS is not sufficient for the households benefiting under the scheme. A fixed quantity of 20 kg of rice is provided for BPL families and 25 kg is given for the Antyodaya beneficiaries, irrespective of the size of their families. All the PDS beneficiaries are found to be depending on the open market for meeting their food grain requirements. The earlier practice of entitlement of food grains based on the size of the family is more desirable in this case.
- (d) The PDS currently procures and distributes only rice as food grain. Other coarse cereals such as bajra, jowar or ragi are not procured or distributed through the PDS. A combination of these cereals is essential for a balanced diet and nutritional security. The change in food habits in favour of rice has adverse impacts on the nutritional security of the poor people. Attempts of some non-governmental organisations in this regard are commendable. The government should take steps to promote, procure and distribute coarse cereals as well, through the PDS.
- (e) The functioning of PDS outlet is reported to be far from satisfactory. The poor people, many a time, find it difficult to secure their ration from the PDS. This is because the PDS hardly operates according to the convenience of the poor people. The PDS outlets are open only for a few days in a month and the poor people are expected to secure their rations during those few days. If the poor people do not have money on hand at that particular time they have to depend on the open market for food grains. It has also been reported that private dealers cause tremendous leakage in the PDS. They resort to many types of malpractice and oftentimes, they are compelled to do so due to the very low commission that they receive. These problems could, to a large extent, be solved if the self-help groups are encouraged to take up the dealership of PDS. Wherever the SHGs were involved in PDS their performance has been good. SHGs placed locally are able to operate the PDS for a greater number of days than the private dealers. However, it is essential that the commission of the ration dealers (SHG or private) be raised to a cost-effective level. Since the SHG movement is widespread, the entire PDS distribution could be handed over to local SHGs.

## **5.2 Wage Employment Programme: Food for Work**

The Food for Work programme implemented in the state is meant for ensuring food security to poor rural households. Under this programme, food grain is provided as wages for the public works carried out. This programme has been considered here as a wage employment programme. It may also be appropriate to categorise this programme as consumption support since the primary objective is to contribute to the food security of the poor.

Food for Work programme in Andhra Pradesh has been subject to severe criticism due to alleged irregularities in its implementation. The irregularities were basically in the selection of contractors to carry out implementation at the village level and in the diversion of food grains to illegal channels. There have been reports of diversion of food grains meant for Food for Work to the rice millers who further polish the rice and sell in the open market. The government has been on constant vigil to stop such serious irregularities.

These irregularities apart, it must be admitted that the Food for Work programme has greatly helped in ensuring food security for the poor people who chose to participate in the programme. Food for Work basically resorts to self-selection of beneficiaries to work in low-skilled and low-paying labour intensive public works. Therefore the possibility of non-poor

getting enrolled in the programme is very low. The better-off among the poor are unlikely to get enrolled for Food for Work as it is sometimes seen as demeaning. This means that only the really needy people who are able to work only get enrolled for the programme.

The programme has been beneficial from the point of view of creating village infrastructure, such as roads, drainage, and sometimes other developmental works. This programme has helped many areas to have approach roads to the main village and to other settlements, which are part of that village. The potential of Food for Work is tremendous. It is possible to effectively use FFW for labour intensive work in, say, watershed development as practised in watershed programmes implemented by certain non-governmental organisations. Hence, this programme on the one hand, provides food security for the poor, and on the other long-term development of the village. Another equally important advantage of FFW is that it has the potential to productively use the stocks of food grains piling up with the Food Corporation of India and at the same time benefit the poor people. It is desirable that this programme continues with corrective steps taken to stop the irregularities mentioned above.

### **5.3 Credit for Self-Employment: IRDP, SHG, Adarana and CMEY**

The Integrated Rural Development Programme (IRDP), the credit provided through Self Help Groups, Adarana scheme, and Chief Minister's Empowerment for Youth Programme (CMEY) are included in the category of Credit for self-employment.

#### **Integrated Rural Development Programme (IRDP)**

IRDP was discontinued in the late 1990s and has been restructured as Swarnajayanti Gram Swarozgar Yojana (SGSY). The SGSY is said to have incorporated systems and procedures to make sure that the programme does not meet with the fate of IRDP. However, the government has sanctioned a very limited number of loans under SGSY. The lessons that IRDP brought out after its dismal performance of over fifteen years are significant for the design of any future programmes in credit for self-employment and asset creation.

It has been well documented that the IRDP has failed to achieve its objectives across the country. This programme is said to have been used for building political patronage at the local level and therefore the selection criteria, appropriateness of the loan to the beneficiary, utilization of the loan and requirement of loan recovery were rarely adhered to. The way in which the programme was implemented strengthened the belief among the people that benefits from government programmes can be misappropriated through corrupt practices and it is not mandatory to repay the credit received as part of the programme. This programme has in effect made many poor rural households 'non-creditworthy' with the formal banking system, which had financed these programmes.

Most of the beneficiaries misused the programme resources. Many deliberately swindled the money, and many others who really wanted to benefit from it could not do so due to a variety of reasons, including inadequacy of funding, lack of proper training, and non-availability of infrastructural support. Even though a majority of the cases would fall into this category, there have been some cases of success also under the IRDP. The cases reviewed in this study portray some of the success under IRDP. These are the cases where credit was taken for milch animals and agricultural implements. It may be noted that the beneficiaries in such

cases were not the extremely poor people. They belonged to the slightly better-off sections among the poor. The households that took loan for milch animals had one or two animals already with them. Moreover, animal husbandry is a major source of livelihood for many of the poor people in this area. Agricultural implements included power sprayer, which was highly in demand not only in a particular village but also in other nearby villages.

The most important lessons that the IRDP experiences bring out are that there has to be transparency in the selection of households for the programme and more importantly, the beneficiaries must have the ability and willingness to utilize the funds for improving their livelihood. Adequate training and infrastructural support are necessary. Equally important is the marketing support and availability of additional funding for either meeting the working capital requirements or for diversification and upgradation of the technology. Efforts should be taken to avoid political interference in such programmes. The subsequent experience shows that credit-based programmes are more successful if packaged in the SHGs model. The peer group pressure / assistance or that from a joint liability group help to a great extent in recovery of the loan and in making sure that the resources are used for the specific purposes for which it is taken.

### **SHG Movement**

The self-help groups in Andhra Pradesh have attained the dimensions of a movement, which has given realistic hopes for the poor people to organise, and through their collective strength prove that they are bankable and can enhance their social and economic position by operating in the mainstream market systems. The performance of self-help groups has been commendable in terms of the number of poor people getting organised, the activities they undertake, and even presenting itself as a viable model to make many other ailing welfare delivery systems efficient and effective.

There are many instances of SHGs of women growing at a fast pace in Andhra Pradesh. The SHGs at the Mandal level get organised into Mandal Samakhyas, which have substantial amount of money as savings. Some of the successful Samakhyas, such as the one in Addakal (Mahbubnagar) has been able to start a bank, training centre, highway eateries, and department stores in Mahbubnagar. The activities of this Samakhya has provided, or secured, livelihoods for many poor rural women who otherwise would have to operate in exploitative situations.

The government support for SHGs is in the right direction. This is a move towards real empowerment of poor women. As mentioned in an earlier section, the SHGs have the potential to take up non-traditional activities, such as running a fair price shop in the village or to take up dealership of various private sector companies. Over a period of time and thanks to the constant support of the government the SHGs have acquired organisational and managerial skills to take up a variety of activities – to make profit as well as for mutual benefit.

The SHG members covered in this study have shown that they are very punctual in repaying the loan taken through the group to purchase milch animals. Throughout Andhra Pradesh one can see that the rate of recovery is near 100 percent for credit programmes initiated through the SHGs.

### **Deepam Scheme**

The government in Andhra Pradesh has implemented the Deepam scheme through the SHGs. This scheme aims at providing subsidised LPG connections to the members of the SHGs. This is expected to reduce the drudgery of women in collecting firewood and also to reduce the toxic gases that women are exposed to, from kitchen smoke. In principle, this would also lead to environmental regeneration by reducing the cutting of trees for firewood purposes.

Many rural women who are members of the SHGs have received LPG connections through this scheme. However, it is doubtful if the scheme has served the stated purposes. The poor families hardly use the LPG as it is very costly to refill the gas cylinder. They would rather use the traditional chulah that uses firewood. Firewood is available in the village or at a distance free of cost. Deepam can be considered at best as an incentive for the rural women to get organised under the umbrella of SHGs. Its effectiveness in terms of the purposes stated above is yet to be proved. The better-off women in the villages have been reported to as using the LPG connections.

### **Adarana Scheme**

The Adarana scheme aimed at providing less expensive assets and equipment to improve the performance of the poor people engaged in traditional occupations. This was a highly popular programme that helped many poor people in enhancing their livelihood. The sample households that benefited from Adarana have got bicycles and sewing machines, which they are using for their livelihood purposes.

Adarana is a loan-cum-grant scheme. About 10 to 50% of the programme assistance was in the form of loan depending on the type of schemes. However, there has not been any report of people repaying this loan. All of them thought it to be a grant from the government. The major criticism against this scheme is about the poor quality of equipment purchased on a large scale by the government for the beneficiaries, as well as the relevance of that equipment for the work of the concerned artisan. This scheme was highly target oriented and hence these important considerations were not taken care of. Adarana also seems to have been wrongly inspired by the IRDP experiment. The scheme, however, has been discontinued recently.

### **CMEY Programme**

The Government of Andhra Pradesh funded the CMEY programme. This programme aimed at generating self-employment for the youth who were expected, in turn, to secure sustainable livelihoods and acquire some noble human values. The programme was designed to be a group activity by a team of five young men or women in the village. The group was expected to be highly co-ordinated and cohesive in nature so that they would be able to run the enterprise successfully. The programme resources consisted of grants as well as subsidies. This programme was vigorously promoted by the government and ran into difficulties somewhere along the way. The implementation of the programme showed that hardly any lessons were learnt from the experience of the erstwhile IRDP, which was a huge failure. Many assumptions of the programme proved to be wrong and the government ultimately suffered huge financial losses. The beneficiaries who had chipped in their resources (own as

well as borrowed at high rates of interest) also incurred financial losses. The programme was also used as an instrument of political patronage and many groups were formed just to swindle the programme resources. The rate of recovery of the loans given under the programme was extremely low in most of the cases. The major reasons for the failure of the CMEY programme were:

- Selection of inappropriate enterprises by the youth groups
- The beneficiaries were not screened before sanctioning the loan
- Lack of internal cohesion among the group members
- Inadequate preparation and training of the beneficiaries
- Inadequacy of funds for working capital and purchase of equipment
- Non-availability of necessary infrastructural facilities and support services
- Lack of assured market and quality control of the products

The above reasons for failure points to the problems in the programme design, lack of commitment and expertise on the part of the government to make the programme a success, and more importantly the enormous possibilities for corruption that can derail any development programme.

#### **5.4 Asset Provision Programme: APWELL Project and SC Corporation Schemes**

##### **APWELL Project**

The programme studied under Asset provision is the APWELL Project of the government of Andhra Pradesh. This project operated through systems that are somewhat different from the regular bureaucratic set-up. This programme aimed at making groundwater irrigation systems available for select groups of marginal/small farmers. The assets provided under this project remain as the collective property of the user groups. This project received very positive response from the beneficiaries. The popularity of this project lied in the fact that some of the small and marginal farmers who could not otherwise afford to dig a borewell on their own have now become joint owners of an electrified groundwater irrigation system through the project. This tremendously improved their access to irrigation water and led to substantial changes in the cropping pattern. The current incomes of the beneficiaries have increased and most of them are expecting a higher return in the future from value added crops, such as horticultural crops.

An important area of concern for this project was environmental sustainability. Andhra Pradesh has been known for the inordinate extraction of underground water, which has been leading to fast depletion of underground aquifers. Unless immediate efforts are made to recharge the underground water table, this pattern of extraction has the potential for causing serious damage to the environment. However, APWELL Project thought seriously about this issue and took up corrective steps in the first phase of the programme. This is proposed to be extended to the entire watershed in a follow-up project.

This programme could be considered a success, especially with respect to its objectives. One of the reasons for its success is the close monitoring of the project by a multi-disciplinary team of expert professionals who provided consultancy services for the project. They also provided agricultural extension services to the farmers. This helped the farmers to adopt integrated crop-water management, integrated nutrient management, and integrated pest management practices. Organic farming has been promoted in the project area and there has been good acceptability of this concept by the farmers.

The most notable feature of this project is that the issue of equity is addressed, though to a limited extent, in the project design. The project specifically targeted marginal and small farmers and the assets provided through the project remain as collective property. This could be considered an achievement as normally in land-based natural resource development projects, the well-to-do farmers in the village appropriate the benefits.

The programme was implemented with the involvement of select non-governmental organisations in the project area. This enabled the project to ensure beneficiary participation in the whole project process. The beneficiaries were expected to pay about 15% (amounting to about Rs 15,000 for a well-user group of three or four members) of the project cost. This has inculcated a sense of ownership among the beneficiaries towards post-project sustainability and for the maintenance of the equipment provided through the project.

### **S C Corporation**

The SC Corporation schemes are meant for the poor people belonging to the Scheduled Caste community. The two respondents who have benefited by the programme were given milch animals (buffaloes). The animals were given free of cost. One of the two respondents is maintaining a buffalo and is earning some income from selling the milk. The other person was not able to maintain the buffalo during the summer season when there was a shortage of fodder and he sold off the buffalo. He was not in a position to purchase fodder to feed the buffalo as his family's survival itself was at stake. He sold off the buffalo when he felt that "the buffalo is a burden". This is a good example of the mismatch between the priorities of the poor people and the inappropriateness of the inputs given through poverty alleviation programmes. In this case, the priority of the household was to meet consumption requirements of the family and normally all available resources would be used for meeting the immediate consumption requirements. Maintaining a buffalo so that it yields sustainable benefits involves a substantial time lag (gestation period) and maintenance expenditure, which the poorest sections can ill afford to meet. Simply put, this leads to the failure of the programme. The household that can withstand these adverse situations would belong among the better-off poor.

According to very reliable sources, most of the welfare schemes initiated by the SC Corporation fail to meet the purposes. There have been many cases of the programme inputs being misused by the beneficiary with the connivance of the officials. One such case is that of the sale of irrigation pump sets by the beneficiaries of the SC Corporation in Kanigiri Mandal of Prakasam district. It is alleged that there is an organised racket in operation, which has been swindling the programme inputs of the SC Corporation. Corruption seems to be rampant in this department.

## 5.5 Natural Resource Management Programmes: Watershed Development

Watershed development programmes are relatively new experiments in Andhra Pradesh. Watershed development activities are intensely carried out in the drought prone districts of Andhra Pradesh. The Drought Prone Area Programme (DPAP) of the government has mostly implemented this programme. In some cases, the non-governmental organisations are also given opportunities to operate as PIAs in the programme. In Andhra Pradesh, the watershed development programmes are not designed to be poverty alleviation programmes. Firstly, this is a land-based programme and only the people who have access to land would be able to benefit from the soil and moisture conservation activities carried out. Secondly, the marginal and small farmers in the watershed, being resource poor, would find it difficult to invest substantial amounts required for utilizing the underground water recharged due to the programme. The study has looked into the institutional mechanisms used for implementation both by the government and a non-governmental organisation. It may be noted that these institutional entities possess very disparate modus operandi and approaches to development.

Two watersheds have been studied viz., Bommireddipalli watershed in Prakasam district (exclusively government-managed) and Chittiala watershed in Mahbubnagar (exclusively managed by the non-governmental organisation). It has been found that there is a qualitative difference, in the implementation and outcomes of the watershed development activities, between government-managed watershed and the NGO-managed watershed. The quality of participation was higher in the NGO-managed watershed and this was reflected in the quality and number of structures constructed under the programme in the 2 watersheds. The water levels have risen and the better-off farmers are able to utilize this water through lift irrigation systems.

Bommireddipalli watershed has been able to construct fewer structures with the given amount of money but Chittiala has been able to construct more structures under the watershed programme and more importantly, to carry out construction activities by making use of the resources available under the Food for Work programme. The awareness level of the beneficiaries about watershed development is higher in the NGO-managed watershed programme. They also have a definite post-watershed plan with regard to the maintenance of the structure constructed, organic farming, introduction of improved variety of seeds, biotechnology unit, etc. In this watershed, the people's participation has been better than in the Bommireddipalli watershed. Even the adherence to some basic principles of watershed development, such as ban on open grazing and Shramadan is better in Chittiala. Some of the major issues and policy suggestions are given below.

The following policy issues have been identified for making relevant improvements in the guidelines and overall management of the watershed development programme. This section has been prepared with inputs from experts in watershed development and management.

1. ***Division of project period into three phases*** as: (1) organisation of community into a new institutional set up; (2) development of natural resources; and (3) diversification as well as intensification of existing farming systems. Now all these components are clubbed together and inadvertently, high emphasis is placed on the second component. This is creating an adverse impact on the project. A total of six years is

- reasonably necessary, comprising one year for the first phase, three years for the second phase, and two years for the third phase. Since each of the three phases require different expertise on the part of the WDT it is appropriate to hire WDT members on a contractual basis with relevant type of qualification required for the respective phases.
2. ***Additional financial provision under administrative head:*** It has been found that the existing 10% as the administrative expenses is insufficient and it must be raised to 15% so that it can take care of the overall administrative requirements of all the three phases mentioned above. In the present scenario, the 10% is just enough to meet the requirements of the second phase and not enough money is allocated either for the first, or the third phases.
  3. ***The rate of contribution of the farmers for developmental works:*** Presently, the community contributes only 5-10% of the cost of development works. But the landowners who directly benefit from the watershed work can be charged a little more to cover the cost of construction / treatment. It is suggested that the private farmer's contribution can be 20% for the community-oriented work and 40% for the individual-oriented works. It is, however, essential that the amount collected through contribution be kept in the common fund of the concerned user group, which can be used by these members as a revolving fund later on.
  4. ***Use of matching revolving fund only through matured credit and thrift groups:*** This approach shall help in facilitating post-project sustainability of not only physical structures in the watershed area, but also social structures created at the village level.
  5. ***Decentralisation in governance of project through Panchayati Raj Institutions:*** Presently in Andhra Pradesh there is a special vigilance cell to address complaints regarding misappropriation of funds at the level of PIA and WC. This system has proved to be effective to some extent in checking anomalies in those instances where heavy amounts were involved. However, it has been ineffective in checking 'smaller' anomalies of corruption, which put together consumes substantial project funding. These serious anomalies of corruption could be tackled effectively only if the elements of transparency and accountability are built into a decentralised governance system. The Panchayati Raj Institutions are instruments of participatory democracy and should have a prominent role in this process. Sufficient power should be delegated to PRIs to take necessary corrective steps.
  6. ***Further decentralisation in the implementation of the programme:*** There have been some efforts towards decentralisation in implementation of the watershed programmes recently. However, the contractor lobby plays a major role still in the implementation of watershed works. The people's committees could be entrusted with many more items of work in the watershed. This would make redundant the involvement of the contractors who are drawn into watershed work because of the attractive Standard Schedule of Rates (SSR). It has been reported that the SSR has set abnormally high rates for every piece of public work. If people's institutions (such as WC, UGs, and SHGs) were entrusted with the implementation, there would be more money available for watershed works.
  7. ***Greater focus on equity for resource poor families:*** Since the watershed development programmes use huge amounts of public funds it is imperative to make sure that all sections of people in the watershed are benefited equitably, in one way or the other. At present this issue is not substantively addressed, except for the opportunities of wage employment for the poor labouring class and the provision of a

revolving fund for supporting non-land based livelihoods. It is essential that further steps be taken to integrate the equity perspective within the context of natural resource development. The following are some of the possibilities:

- Development of fallow land owned by resource poor families (for agricultural purpose) especially that land, which has been allotted by government under the Land Ceiling Act.
- Development of drainage courses (which are passing through land owned by resource poor families) into productive assets.
- Further improvement in already cultivated land owned by resource poor families through reclamation of problem soil, treatment of soil-born pests and diseases, management of perennial weeds, etc.
- In some situations, desired bargaining may be done for promoting equity for resource poor families. The following examples shall illustrate this point:
  - Utilization of groundwater through community-oriented borewells instead of individual borewells. Resource poor families should have equal access to this community resource.
  - Organising resource poor families (say, through SHGs) in order to cultivate the private fallow lands taken on lease. The landowners must be assured that there will be no loss of land through tenancy regulations.

## **5.6 Land Reforms**

Land Reforms are implemented in Andhra Pradesh only on a limited scale. The landless population of the study area is about 20% and this section of the population covers artisans and agricultural labourers basically. However, there have been no initiatives on the part of the government to implement land reforms due to the political pressures against it. In the sample villages, those who received land through land reforms received it about 15 years ago. Wherever land reform has been implemented, the impacts have been noteworthy. Poor landless people highly appreciate the land they have received through this programme. They do not face any threat of eviction from the landlord and moreover, land is a precious asset, which gives them a sense of psychological security. Most of the beneficiaries are utilizing the land either for own cultivation or are leasing it out to other farmers for cultivation. In both cases, they benefit from it. The basic criticism regarding land reforms is that the land distributed among the poor is of very poor quality and located far away from the district. It may be noted that the Scheduled Tribe population has been able to utilize this programme to its fullest potential. Many of them have made good investments in those lands and the improvement in their socio-economic position has been commendable. This shows that the investment in agriculture / land increases when Land Reforms are implemented. These investments have led to increase in agricultural production and subsequent improvement in the livelihoods of the poor people. Land Reforms may be considered as the single, most effective poverty alleviation programme to make a lasting impact on the lives of the landless poor in rural areas.

**Table 5.1: Summary of the major poverty alleviation programmes**

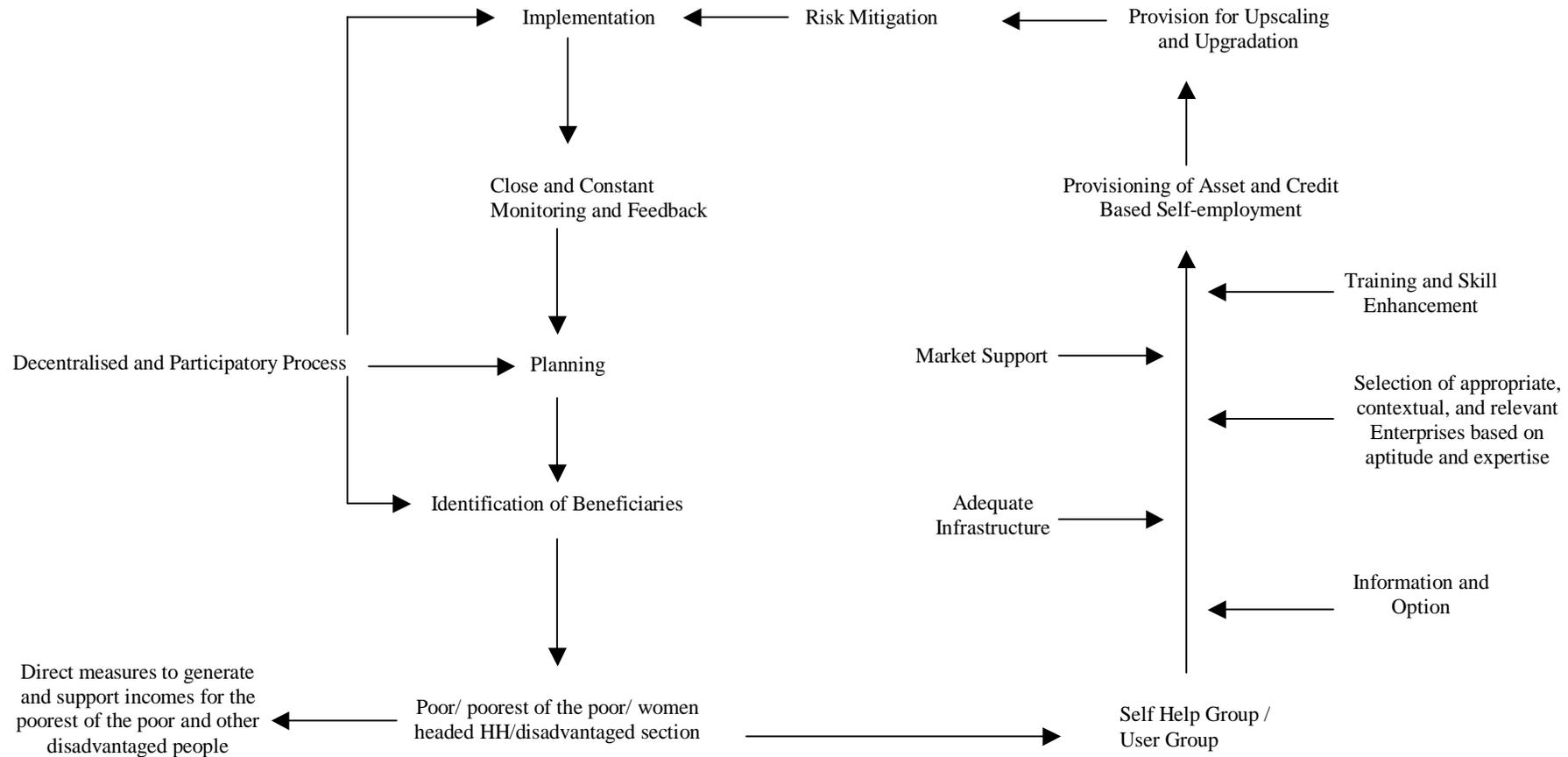
<b>Poverty Alleviation Programmes</b>	<b>Success</b>	<b>Constraints</b>	<b>Recommendations</b>
PDS	<ul style="list-style-type: none"> <li>• Enabled food availability at the local level</li> <li>• Helped people avert starvation deaths in the worst hits districts like Mahbubnagar</li> </ul>	<ul style="list-style-type: none"> <li>• 60 percent of beneficiaries are not the real poor.</li> <li>• Most of the time PDS outlets are not open</li> <li>• People had to buy from outside</li> <li>• Diversion of food grain to the market</li> </ul>	<ul style="list-style-type: none"> <li>• Eliminate selection of the non-poor</li> <li>• Selection process through PRIs</li> <li>• Provision of PDS based on family size</li> <li>• Provide other cereals instead of only rice for nutritional security</li> <li>• SHGs should take up PDS dealerships to provide greater accessibility to the poor</li> </ul>
FFW	<ul style="list-style-type: none"> <li>• This is a self-selection process so the chances of non-poor getting enrolled are less</li> <li>• The project was beneficial in creating village level infrastructure</li> <li>• The poorest of the poor have benefited because of the programme</li> </ul>	<ul style="list-style-type: none"> <li>• Alleged irregularities in its implementation</li> <li>• Diversion of food grains to the local market</li> <li>• Only able bodied men and women can get the benefit</li> </ul>	<ul style="list-style-type: none"> <li>• Minimise irregularities in the selection of contractors</li> <li>• Curtail the diversion of food grain to the open market</li> <li>• FFW can be extended to watershed development programmes by NGOs</li> <li>• Different government departments can use FFW programme to create village level assets</li> </ul>

<b>Poverty Alleviation Programmes</b>	<b>Success</b>	<b>Constraints</b>	<b>Recommendations</b>
IRDP	<ul style="list-style-type: none"> <li>• Benefited highest number of beneficiaries</li> <li>• Performed well – mostly in developed and prosperous areas</li> <li>• Benefited the poor who were nearer to the poverty line</li> <li>• Benefited the beneficiaries who had bank credit-worthiness</li> </ul>	<ul style="list-style-type: none"> <li>• Income was not enough to bring the poor above the poverty line</li> <li>• Performed badly in backward and remote areas</li> <li>• Left out the poor at the bottom</li> <li>• Women have benefited less and female-headed households had limited access to it.</li> <li>• Absence of serious and imaginative local level planning</li> <li>• Most of the schemes were centrally planned with no understanding of the local context</li> <li>• Mismatches between the demands of the poor and the assets created by the programme</li> <li>• Mismatch between the type of assets and pre-existing resources of beneficiary households</li> <li>• Training, infrastructural, and marketing support not adequate</li> <li>• Misuse of assets and funds</li> </ul>	<ul style="list-style-type: none"> <li>• Transparency in selection process</li> <li>• Ability and willingness of the beneficiaries to utilize the programme</li> <li>• Adequate training and infrastructural support required</li> <li>• Marketing support needed</li> <li>• Additional funding support</li> <li>• Credit based programmes must be channelised through the group</li> </ul>
CMEY	<ul style="list-style-type: none"> <li>• In many cases it succeeded because the enterprise chosen</li> </ul>	<ul style="list-style-type: none"> <li>• Many cases of selection of inappropriate enterprises</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate selection of beneficiaries and enterprises</li> </ul>

Poverty Alleviation Programmes	Success	Constraints	Recommendations
	<p>was their traditional activity and they had the necessary expertise</p>	<ul style="list-style-type: none"> <li>• No screening of beneficiaries</li> <li>• Lack of internal cohesion</li> <li>• Inadequate preparation and planning</li> <li>• Inadequacy of funds for working capital</li> <li>• Non availability of infrastructural facilities and support systems</li> <li>• Lack of assured market, and quality assurance</li> <li>• Corruption at the government level</li> <li>• Lack of government commitment and expertise</li> </ul>	<ul style="list-style-type: none"> <li>• Select groups with common interest and expertise</li> <li>• Provide adequate fund for the enterprise</li> <li>• Provide appropriate infrastructure</li> <li>• Market linkage</li> </ul>
<p>APWELL</p>	<ul style="list-style-type: none"> <li>• Appropriate selection of the target group</li> <li>• Close monitoring of the project with consultancy services provided to the people</li> <li>• Equity aspect has been addressed</li> <li>• The asset provided is a productive collaborative asset and remains with the people</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental sustainability (groundwater is a problem)</li> <li>• Continuity of SHGs, WUGs, and other CBOs may be doubtful without outside support</li> </ul>	

<b>Poverty Alleviation Programmes</b>	<b>Success</b>	<b>Constraints</b>	<b>Recommendations</b>
ADARANA	<ul style="list-style-type: none"> <li>• 80% of the beneficiaries selected tools on their own</li> <li>• Role of government officers in motivating and awareness building found commendable</li> <li>• Given the timeframe and the constraints the programme is a success</li> </ul>	<ul style="list-style-type: none"> <li>• Traditional and sub-standard tools instead of modern tools were provided</li> <li>• To achieve target and expeditious execution of the scheme district authorities have acted in haste ignoring the guidelines</li> <li>• Bicycles were provided on a large scale</li> <li>• 87 % of the activities were traditional in nature</li> <li>• 4-5 % of the people have diverted or sold off the tools</li> <li>• 15-20 % of the beneficiaries are not using the tools</li> <li>• Selection of beneficiaries is not done properly</li> </ul>	<ul style="list-style-type: none"> <li>• Select the material according to the needs of the beneficiaries</li> <li>• Minimise excessive interference by politicians</li> <li>• Minimise pricing irregularities by the government</li> </ul>

## A Model for effective management of poverty alleviation programmes



## 5.7 A Development Model

This is a schematic representation of a general model appropriate for all poverty alleviation programmes. It can also accommodate more specific poverty alleviation programmes having specific inputs by putting the required inputs at different phases of the model. The core of the model is the decentralised and participatory process of planning, identification of the beneficiaries and implementation of the programmes, which mostly takes care of the different lacunae faced by poverty alleviation programmes in India. Detailed explanation of the model is given below.

**Planning:** The planning process for poverty alleviation programmes should be done at the local level with at utmost participation of local level stakeholders. The process has to be people centred, instead of trusting a centrally designed plan, which little relevance to the ground reality. This has been the major cause of failure in most of the poverty alleviation programmes. Decentralised institutions, like Gram Sabha, can play a greater role in the planning process, which overtly reflects the demand of the local people. They are also in a better position to manage their own natural resources owing to their better understanding of the situation.

**Identification of beneficiaries:** Non-beneficiaries appropriating the major share of the benefits is the second greatest hindrance that any poverty alleviation programme faces. Identification by means of a decentralised and participatory process would eliminate to a great extent, the chances of a non-beneficiary getting in to the programme. Identification of beneficiaries through the poverty figures has been highly misleading and it also excludes the people who eventually fall into the category of transitory poor. A decentralised institution with a participatory process would take care of the above problem.

Once the beneficiaries are identified, special inputs for direct measures to augment the income of the vulnerable section of the society is required, in order to meet consumption and survival needs. This section of society includes the poorest of the poor, women-headed households, disabled and other disadvantaged families. PDS, FFW and other wage employment schemes should continue to support these groups.

Providing asset- and credit-based programmes for self-employment in farm and non-farm sectors should be carried out through SHGs and other user groups. There is a revolution going on with regard to the working of SHGs in the state, as well as in the country. These homogeneous and invaluable groups, based on common interests, have power to be superior performers as compared to individual beneficiaries due to the better control and accountability among group members. Through these groups, different inputs, such as information, technology, choice of enterprises, and training can be worked out, which are vital for the success of any poverty alleviation programme.