



RELEVANCE OF SWARNAJAYANTI GRAM SWAROZGAR YOJANA (SGSY) FOR ECONOMIC UPLIFTMENT BIHAR: PRESENT PROSPECTS AND FUTURE CHALLENGES

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ABSTRACT

The present study entitled "A study of Poverty alleviation Rural Development Measures in Bihar had been conducted to explore the role of S.G.S.Y. in the upliftment of the rural poor. The aim of the study was to find out the gaps and inconsistencies in the implementation of the programmes, with special reference to the selection of beneficiaries, sanction of loans, disbursement of loans, the adjustment of subsidies, and the repayment of loans. The study was conducted on 150 beneficiaries spread in districts in the State of Bihar. The beneficiaries were selected through random sampling method. There data for the study were collected through interview schedule, field observation and informal talks with the beneficiaries. In brief like so many rural developmental programmes of the past the SGSY is also developing lacunae, during its implementation. The programme was basically designed to benefit the poorest of the poor in the rural areas. But, as the study shows, the identification of the poor for this programme is full of mal-practices of developmental bureaucracy, unscrupulous officials and self-seeking village middlemen.



KEY WORDS : Rural Development, Poverty alleviation, S.G.S.Y, Upliftment, Bihar.

INTRODUCTION

In the words of Adam Smith, A man is rich or poor according to the degree in which he can afford to enjoy the necessities, the conveniences, and the amusements of life. Hence in different countries the criterion of poverty also differs. In U.S.A. a person earning 200 dollar a month will be called poor, while in India a person earning Rs. 500 a month will be called poor. The Swarnajayanti Gram Swarozgar Yojana (SGSY) is a major on going integrated programme for self-employment of the rural poor. The programme was started from 1 April 1999. The objective of SGSy is to bring the assisted poor families above the poverty line by organizing them into self-Help Groups (SHGs) through the process of social mobilization, training, capacity building and provision of income generating assets through a mix of bank credit and Government subsidy. The scheme emphasizes on process approach and building the capacity of the rural poor. Therefore it provides for involvement of NGOs/CBOs/ individuals/banks as facilitators /Self-Help Promoting Institutions in nurturing the developing SHGs. The scheme provides for the cost of social intermediation and skill development training based on the local requirement. The progress made by Indian economy, in the economic and social field, has been remarkable. However, it is widely agreed by observers as well as by government spokesmen that even after 55 years of planned development our achievement, both in industry and agriculture, are overshadowed by the continued existence of the conditions of extreme poverty among the masses in general and rural masses in particular. India's rural poor are the people who earn all or at least a significant part of their income by working as agricultural labourers. Among them be included the landless

labourers, marginal farmers, and rural artisan. A significant proportion of them belong to the scheduled and backward casts who bear the additional burden of a stigma. The need for bringing about rapid and substantial positive changes in the problems of rural poverty and unemployment within agritural sector, thus, can hardly be overemphasized. Such a need was also recognized by the Government of India and this realization materialized in the initiation of a number of general and specific programmes of rural development designed for the betterment of rural people.

ANALYSIS OF RURAL ECONOMY OF BIHAR:

Bihar finds mention in the Vedas, Purenas, epics, etc. and was the main scene of activities of Buddha, and 24 Jain Tirthankaras. Great rulers of the State before the Christian era were Bimbsar, Udayin, who founded the city of Pataliputra. Chandragupta Maurya and Emperor Ashoka and Maurya dynasty, the Sungas and the Kanvas. Then came the Kushan rulers followed by Chandragupta Vikramaditya of the Gupta dynasty. Muslim rulers made inroads into the territory during medieval period. The first conqueror of Bihar was Mohammedbin-Bakhtiar Khalji. The Tughlugs and then the Mughals followed the Khaljis.¹ The erstwhile composite state of Bihar consisting of 42 districts as per 1991 Census was bifurcated by transferring 13 Districts to form a new state of Jharkhand in November 2000. After the reorganization of the state, Bihar consists of 37 districts, 533 sub-districts and 130 towns including 125 statutory towns and 5 census towns at the 2001 census. The number of villages in the state is 45,098 of which 39,015 are inhabited.

MATERIALS AND METHODS:

This case study has been conducted in the districts of Bihar to fulfill the objectives. A complete list of the blocks under Swarnajayanti Gram Swarozgar Yojana was prepared. Among all, the low, medium and high income beneficiaries were chosen and the beneficiaries have been selected randomly by using random sampling method from each block. Thus, a total of 150 beneficiaries have been sampled with the help of structured and pre-tested interview schedule. Appropriate statistical tools have been used to analyze the collected data to draw a fruitful result and conclusion.

WORKING OF SGSY IN BIHAR:

The present chapter of the study working of SGSY in Bihar and achievement was conducted to explore the role of SGSY in the upliftment of the rural poor. The aim of the study was to find out the gaps and inconsistencies in the implementation of the programmes, with special reference to the selection of beneficiaries, sanction of loans, disbursement of loans, the adjustment of subsidy's and the repayment of loans. The unit of analysis in the present study was the SGSY Beneficiaries, and it is their expectations, perceptions, attitudes and predicaments which have been analysed. The broader aim of the study was to find out the nature and extent of the involvement of the rural poor in their own upliftment, though the SGSY Programme and the efficacy of the banks in this task in the present chapter data concerning the SGSY and role of various banks were analyzed.

RESULTS AND DISCUSSION:

The study was conducted to know the impact of Swarnajayanti Gram Swarozgar Yojana (SGSY) programme on poverty alleviation among different group of beneficiaries on the basis of their income. Socio-personal, socio-economic, communication and psychological traits have been considered to know their effect on terms of annual income of the beneficiaries (respondents). The data was collected between the recent past years. Thus it may be concluded that during the year under review the implementation of the SGSY programme in the district was in more or less satisfactory. It was also found that S.B.I. and Uco Bank was in dominating position in assisting the beneficiaries under the SGSY programme in the district. It is targeted to correlate various banks associating with SGSY Programme in the district during the recent past years. It is evident from the data inserted that all total 11 banks, i.e. SBI, BOB, ALLAH, BOI, CANARA, CBI, UBI,

GRAMIN, PNB, UNITED & UCO one associated with the programme SGSY (individual) & SGSY (SHGs) in districts of Bihar.

Thus from the analysis of various aspects relating to functioning and implementation of SGSY programme in districts of Bihar as it was revealed that the SGSY program gives very unsatisfactory picture of the ground level implementation of this programme. It has been meeting targets in terms of financial allocations and the number of beneficiaries covered . The success in terms of job creation and income generation through sustained development has not been satisfactory. The study shows some differences, such as the implementing authorities divided district level targets and financial allocation equally amongst the existing blocks regardless of their level of development, availability of infrastructure necessary for the success of scheme and the needs of the beneficiaries. The agencies handling implementation programme suffers from the lack of trained specialist and in most cases the implementing personnel did not had an understanding of even the basis concepts underlying SGSY programme. It may be stated that approach of various functionaries in SGSY programme fails to generate mass response and inspire confidence amongst the rural poor.

PROSPECTS AND CHALLENGES OF SGSY IN BIHAR:

Rural development programmes, by and large, have not been able to make much headway in the State of Bihar. Many explanations are offered for the failure special programmers for the weaker sections to make any significant impact on the magnitude of poverty and unemployment .The reason for this can be briefly classified into two categories .The first reason of failure is attributed to the techniques approach, administrative inefficiency, lack of motivation and urban bias of political leadership and bureaucracy, organizational weakness, non application of refined management techniques and faulty delivery system. So the first reason relates to government machinery, and the defect lies in the implementation of such programmes. However, the second reason for the failure of rural development programmes is the lack of respectively or responses of the rural community in general and also due to lack of infra structural base available in the areas. Hesitant approach to decentralisation of planning and decision-making and the consequent absence of peoples participation, adhoc and piece –meal approach, inadequate attention to forward and backward linkages and lack of co-ordination amongst implementing agencies at the local level are also emphasized as being responsible for poor results.

CONCLUSION:

The present study aims at an empirical and practical analysis of the process of rural development and its consequences during the 56 years India's planned development. During this period, the country was beset with enormous problems due to the cumulative result of the past history .The situation was blank all round; illiteracy, mal-nutrition and ill-health at the personal social plans; dependent and distorted industrialization, colonial –capital list economy, old production techniques in agriculture, and an outmoded land relations at the economic plane; and a rigid caste hierarchy, and distinction between man and man on the basis if caste, read, colour sex at the socio-cultural plane. The focus of the programme is on establishing a large number of micro-enterprises in rural areas based on the ability of the poor and potential of each area, both land-based and otherwise, for a sustainable income generation. Due emphasis is being laid on different components such as capacity building of the poor ,skill development, training ,credit, technology transfer ,marketing and infrastructure support. The SGSY has special focus on the vulnerable groups among the rural poor. According, the SCs/STs would account for at least 50 percent of the Swarozgaris, women for 40 percent and the disabled for three percent. As regards the improvement in the economic conditions of respondents, it was found that vast majority of 79.33% respondents in the sample had started that SGSY loans had only marginally improved their economic condition .It was remarkable to note that about 52% respondents were not aware of the different types of assistance given to them .As regards the repayment of loans and subsidy it was revealed from the analysis of the data incorporated under eleventh table that only

59.33% had received full subsidy. Most of the respondents of the non-receipt category had complained that the concerned authorities were apathetic of subsidy and a vast majority of respondents were unable to express anything. About 70.67% respondents reported that they were only partially aware of the repayment procedure. The leading banks were the major source of information to the repayment procedure of loans. It was accepted on all hands that SGSY should mean multi-faced development of rural economy by utilization of the optimum local resources, but it was a truism that most of our development programmes had foundered on the rocks of implementation. Most pious ideas may not see the bright of the day because they were never implemented. The success of the programme, therefore, was dependent up to its efficient implementation.

SUGGESTIONS:

So far as the need for improvement in socio-economic conditions of rural poor is concerned, there can be hardly a disagreement. However, a disagreement is bound to arise in respect of the question as to how to bring an improvement. An uncertainty in the fixation of the rates of interest, non-issuance of pass books, improper entries in pass book, and delay in adjustment of subsidies, and the consequent financial losses to the beneficiaries entailed to paying interest on the total loan amounts, are some of the very serious malpractices noted in the present study.

1. An increase in awareness would lead to a greater involvement of the rural poor with the development programme.
2. The loan assets should be made available to the beneficiaries immediately in order to maximize the output, and for the proper utilization of loans.
3. The banks should act, not only as siphoning agencies for development loans, rather, they should deeply involve themselves with the development projects in all the stages of planning, implementation and monitoring.
4. It is essential to curb departmentalism, and all the block authorities, the district authorities, and bank officials should act in co-ordination for the fulfillment of the project goals.
5. The activities of the unscrupulous personal should not, in any way, encourage, or allow them to act. In the aware of benefits the status of persons should not be given priority, rather, the economic viability of the projects, and entrepreneurs in quality of the beneficiaries should also be taken into account.

If the SGSY has to achieve its objectives, and the rural banks have to play an effective role in the eradication of rural poverty, then a serious reorganization is called for, and a policy reorientation of the developmental bureaucracy is required. The functioning of rural banks, and all rural development departments have to be revamped, and they should be attuned to the adopted tasks. A new dynamism, and discipline is needed to meet the challenge of rural development. What is needed is continuous education, or indoctrination for the civil servants, who in the existing class structure, will have to undergo a lot of self-denial. A dedicated commitment to the development task is a must for them. What is needed now, is a strong political will to bring about basic changes in the economic system. Unless that is done, the S.G.S.Y. programme, or for that matter any other measure is bound to bring about only marginal superficial changes.

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