

## Chapter 8

# Moving Forward

**P**overty, as the PPAs show, has multiple dimensions. It is seasonal and transitory in some forms of dynamic poverty and hard core and sustained in certain forms. This implies that policies should be varied and adaptable. It is also 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. There could be trade off among the different types of poverty reduction. 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.

PPAs in the seven states of India take on board the perceptions and suggestions of the poor – male and female, urban and rural participants, and triangulate these with the suggestions and feedback of policy makers as well as the analysis of existing programs and policies. This provides us with some broad insights which are worth sharing, though their applicability is not claimed to be universal. Nonetheless, it serves as a useful snapshot in understanding and prioritizing some fundamental issues from the point of view of the poor.

The PPAs provide insights into factors that have improved the lives of the poor people. These include their own efforts, and governmental, nongovernmental and community initiatives taken at various levels. They illustrate pathways that could be pursued to improve livelihoods and opportunities for income enhancement, improved access to infrastructure, improved access to social services, and enhanced governance, service

delivery and social security. Here again we pursue the issue based framework adopted in the earlier chapters viz.

- Pro poor Growth, enhancing incomes and promoting livelihoods
- Targeting
- Enabling environment through appropriate physical infrastructure investments
- Appropriate social infrastructure investments
- Governance and institutional framework.
- Social Security

## **Enhancing Incomes and Promoting Livelihoods**

### *Agriculture and off farm livelihoods*

Agriculture is the pre-dominant sector where a large part of the population is engaged. The main contribution to agricultural productivity comes from irrigation. Yet, a considerable part of agriculture is still rain fed and existing irrigation resources are limited in outreach. There are many areas in which multiple cropping can not be practiced due to lack of irrigation and uneven distribution of rainfall.

The management of land and water resources through community participation has the potential of increasing incomes, through increased productivity, leasing of land, and better wage employment. The following examples show the impact of a watershed management project and agrarian entrepreneurship.

The growth of nonfarm enterprises presents an important livelihood option for rural households. Traditional arts and crafts are especially important in this context since they support millions of poor households, who are steadily being pushed into poverty due to lack of technological change, lack of markets, inability to upgrade their skills, paucity of capital, and inadequate access to raw materials. Support from governmental and well as nongovernmental sources can easily lead to a turnaround.

The basic message from PPAs is that livelihoods can be fostered provided there is a proper economic environment, the right kind of institutions exist which can support growth in livelihoods, and people have a personal stake in building their future.

## Watershed Management

A watershed program was launched in Karmari village of Jagdalpur in 1997-98, under Rajiv Gandhi Watershed Mission. About 44 hectares of fallow land was taken up for cashew plantation on an experimental basis. This has since then spread to private lands as well and currently spans an area exceeding 250 hectares. The villagers of Karmari have started aspiring for a processing plant in their area for enhancing their returns.

## Agrarian Entrepreneurship

Gagan is an enterprising individual who first took up work in a goldsmith's workshop. Initially he was making silver jewellery and gradually shifted to gold. He was one of the first persons in the village who planted tea in his homestead and encouraged others to do the same. Similarly, he has invested some of his money in the Sachi plantation and has earned about Rs60,000–70,000/- from it. In the village surveyed, factors behind prosperity include taking up of options like tea growing and plantation of Sachi trees. Sachi tree is a valuable asset which fetches Rs5,000–6,000/- within a span of 5 years. Households in the village have around 10 such trees.

## Public-private Partnerships Where they Touch the Lives of People

Traditional arts and crafts sustain the livelihoods of millions of artisans. In West Bengal, artisanship is being promoted through private initiatives with support from the Government. In Bardhaman, an art and craft village center called Karuja was opened. To revive the traditional crafts of Bengal a few enthusiastic persons from Bardhaman initiated Karuja. The primary objective of Karuja is "to revive the timeless traditions of handicraft and culture and prove their relevance in a contemporary world". In 2001, the Zilla Parishad of Bardhaman started a joint venture with Karuja, strengthening the cause with funding and logistical support. The Karuja crafts village is located near Bardhaman where craft forms in Dokra (metalwork), terracotta, wood carving, shoal (pith work), straw work, Kantha stitch (traditional quilt art), leather work, jute based work, traditional musical instruments, among others are made by craftspersons and women from local village communities. Karuja does the raw material sourcing, marketing and promotion of Bardhaman art and craft products in different markets.

While Karuja itself plans to spruce up its marketing strategy through running news bulletins, launching journals and publishing coffee table books, such private-public initiatives certainly deserve encouragement at the local level.

## Recognition of High Order Skills

Madan is about 55 years old. His prime occupation is in terracotta, which is his family business. He is doing this work for the last 35 years. He now trains about 25 students in the craft. He was helped by the Development Commissioner, Handicraft, to exhibit his craftwork in several cities like Mumbai, Chennai, and Kolkata. He was awarded a state level prize for his work in 1991 which included some cash prize, a certificate and a trophy. The Government's recognition of his art and support of the officials has been an important contributing factor in his improved economic status.

### *Participatory growth*

There is no doubt with the common wisdom that the size of the cake has to grow if there has to be enhanced resources for poverty reduction. At the same time, the pattern of growth must create more opportunities for the poor to enhance their livelihoods at lower risks and costs.

- The poor should have opportunities to partake in the drivers of economic growth: The drivers of the macro growth process must be identified and the poor must be made part of the process through necessary skill training.

For instance, the information technology sector is one driver of growth. Dairy farmers in remote villages in Gujarat have benefited from proper computerized grading and prices for quality milk. PPAs have pointed to problems of people being stuck with dying and non-lucrative trades. Emphasis needs to be laid on developing an inclusive human resource policy with skill retraining for the poor. This would address a fundamental cause of poverty that of lack of opportunities, rather than merely support the poor. Such a measure is strongly mandated by PPAs, which have thrown up several instances of dying trades and irrelevance of the current skills mix of the poor.

For supporting skill-based nonfarm, off-farm activities, and other micro processing activities, the government could provide professional support (professional “change manager”) to each village through a conscious process of decision making and a pro-poor mechanism, which can provide the requisite professional support. There is also need to focus on ways to provide professional support for different types of off-farm and nonfarm related activities and build up a pro-poor program for strengthening the

value-chain systems in products produced by the poor and in continuously upgrading these to benefit from horizontal and vertical linkages.

### *The overriding need for credit*

Improvement in the access to credit was rated as a major priority need by the poor uniformly across all locations.

- The poor have expressed lack of accessibility of credit as a major hurdle to improving their livelihood prospects and engaging in work of their choice.

The credit from informal sources such as neighbors and chit-funds is insufficient to start an enterprise, and in the case of money-lenders, their terms are exploitative. Single women and the elderly find it difficult to access credit as their creditworthiness is considered low. Assured and accessible institutional credit facilities are much needed to revitalize the rural and urban economy and provide gainful employment to the entrepreneurial poor, rather than force them into wage labor.

Given the crippling effects of debt on the poor, and the unreasonable interest rates that prevail ranging up to 360% leading to bondage and indebtedness, the urgency of financial sector reforms and innovative financial instruments for the poor is of prime importance.

- Credit is an overriding requirement of the poor and innovative options for delivering credit to the poor in a high risk scenario are necessary.

Credit is a major requirement of the poor and innovative options for delivering credit to the poor in a high risk scenario are necessary. This may include dual interest rates because the higher risk related rates charged will by all means be lower than the rates at which the poor currently access finance. Likewise the period of repayment can bridge over drought cycles after a thorough analysis of the sectors like agriculture where the poor work and require credit. Group initiatives in micro finance have been broadly successful and need to be consolidated upon.

### *Wage employment*

**In the current circumstances, wage employment was generally a favored option, provided there was access to it.**

Wage employment was generally a favored option, provided there was access to it. The need for equal wages, community validation of lists to prevent contractors from importing and exploiting labor, random check of muster rolls and information displays on wages in panchayat offices were some suggestions from the poor.

- In respect of wage employment, it was suggested that benefits from wage employment programs must be paid in three parts: (i) cash, (ii) food basket and (iii) payments set aside for insurance, medical insurance and social security.

During PPAs, some suggestions of the poor for better impact on livelihoods included:

- Compelling need for second generation land reforms. All village-level land records must be made user-friendly (e.g., by digitization) and made available in a form that is easily understood.
- Provision of land development loans for the poorer families to work upon their lands.
- Assistance in getting consumption loans from banks and 1 year moratorium on interest and loan repayment for settling local trader loans.
- Easy pickup and drop points for farmers to bring their produce to the market.
- Greater access to grazing lands. The panchayats should be allowed to demarcate a piece of land for grazing, wherever available, and the location could be shifted from 1 year to another to allow for regeneration. Access could be based on the actual number of cattle heads owned with preference for the poorest with one or two cattle heads and lesser preference to the well-off with more than six cattle heads.
- Forest dependent BPL families need to be identified and be allowed to enter the forests with valid permits to collect only MFP from the forests.
- A vibrant agricultural sector is needed to sustain off farm and other value added processing activities. Besides the sector constitutes a major area of employment for the poor. This would require breakthroughs in agricultural technologies, especially in dry land conditions, expansion of irrigation, better and more sustainable land and water management practices, marketing

support and credit support. Many of the rural poor derive a significant proportion of their livelihood from livestock, fisheries and from small home gardens.

- Effective public-private-civil society partnerships may be able to help achieve better livelihoods for the poor and also help them to achieve a diversified portfolio.
- Private sector corporate social responsibility and civil society can help pilot model development approaches and initiatives in villages for poverty reduction.
- Various craft groups had suggestions that have been captured in earlier chapters
- Need for an inclusive informal sector policy
- Better information. The poor usually do not have much information on programs. They usually have no idea of how much money comes to the village or is spent by the village Panchayat. They also did not know that they were entitled to demand accounts of these program funds from the sarpanch.
- The poor need to be consulted on the selection and location of assets under the different wage employment programs.
- “Priority assets” need to be constructed for the poor under the wage employment programs.
- The quality and quantity of assets in areas where the poor reside needs to be increased. For example, the number of hand pumps, the length of road paving, streetlights, etc. were much less in areas resided by the poor than in other areas.

**Supporting Women’s Productive Activities:** There is a need to identify specific ways for women’s active involvement at the local level, helping in better management of the workload, increased efficiency, empowerment of women in terms of human, physical and financial resources and mainstreaming their choices in terms of development interventions. Provision of clean drinking water in the village, water harvesting and storage tanks; provision of dispensaries with health care and reproductive health services; women’s savings and credit groups; women’s training center in agriculture, animal husbandry, child care, sanitation, and other related topics could empower women in terms of productive engagement and need to be consolidated.

The suggestions from the poor and secondary stakeholders in this regard included:

- Register arable land in rural areas in the name of women or jointly (extraneous suggestion by local NGOs)
- Young educated girls from villages be selected as paramedics and as peer educators. This would enhance their involvement and outcomes in health and education.
- Given the role of SHGs in the empowerment of women, these need to be promoted.
- Given the multi tasking nature of women's work, drudgery reduction tools like maize de-seeder, bio gas etc. could be promoted to reduce the workload on women.

## Targeting

Given the power equations at the field level targeting remains a major challenge.

Suggestions from the poor and secondary stakeholders:

- Target causes for poverty rather than individuals – create suitable opportunities relating to skill work which mainly the poor will avail.
- Empowerment through group dynamics to be able to raise collective strength
- Proper identification of beneficiaries and random check of lists (this has currently started heading in the desirable direction of smart cards and data base triangulation).

## Enabling Environment through Appropriate Physical Infrastructure Investments

Common infrastructure has greatly benefited the poor. Since the poor live in far flung and peripheral areas, infrastructure like roads, electricity, water supply helps lower transport costs, improves access to markets, and offers better livelihood options.



The provision of a critical minimum size of infrastructure not only supports livelihood activities, it also has a significant impact on the quality of lives of the poor. For instance, proper location and arrangement for potable drinking water reduces time of women for water collection and incidence of water-borne diseases; easy access to roads, encourages better communication and trading; and effective irrigation systems help grow dry season crops.

Concerted efforts must be made for community consultations before the laying of village level infrastructure in order to enhance the utility.

- Development initiatives need to build a range of critical minimum infrastructure in selected villages, where there is a large proportion of poor and marginalized groups living.
- Concerted efforts must be made for community consultations before laying of village level infrastructure.

### *Provision of second generation amenities*

There is already an emerging demand for second generation infrastructure in many locations. Investment in these is critical to keep up the pace of development in locations which have already reached a basic level.

- In many semi-urban and urban locations second generation demands for infrastructure are coming up such as high school in the vicinity, high school hostels, proper drainage system, sanitation standards, anti-pollution measures, concrete road, etc.
- Such areas can be targeted to build higher levels of infrastructure with some role for community contributions and user-fee system, wherever feasible.

## **Appropriate Social Infrastructure Investments**

### *Need for technical knowledge for work flexibility*

The development process has thrown up demands for a new set of labor skills. The PPAs found several rigidities in occupational patterns. Retraining and adaptation of the poor to a new set of skills is the most valued education they look to.

Consolidation and accreditation of existing skills in high demand areas like carpentry, plumbing, masonry etc is also essential to enable better returns to labor.

## *Education*

The issue of “cost of education” is an important issue in the minds of poor people, in terms of their perception of the benefits that they think they can get from the education, and the opportunity cost of starting work with their parents in traditional occupations. This came across clearly across all locations and more strongly in relatively prosperous states like Gujarat. This factor also weighs heavily against girls who have to look after younger siblings and tend to house work.

One important reason why the poor do not send their children to school is that they do not find education useful! Though there is a feeling that “education may help in earning money, they do not see any evidence around them. In fact, their children can for instance polish diamond, work on farms, migrate outside for work and earn money without education. They can also work in small factories without any literacy and earn wages. The poor therefore prefer to keep children home for (a) animal grazing, (b) hired wage work, or (c) for taking care of young siblings.

- PPAs clearly reflected the reality that unless education is packaged with skill training of a superior quality that would greatly benefit the poor of the next generation, education may not be a strong selling proposition among the poor. The duration of the investment in education and uncertainty of returns is a major impediment.
- With changing conditions the poor believe that a sound knowledge of English and Computers is required.
- Training in emerging service sector areas is important according to secondary stakeholders.

### **Educating Children the Hard Way**

Ram Das is a 70 year old man who earned his livelihood through fishing in Jorhat. Initially, the income was insufficient to run his family. However, he was determined to provide good education to his children and worked hard toward realizing it. Several times he did fishing throughout the night and sold the produce in the daytime. Due to his efforts all his children are well-established. Today, the daughter works as a lecturer in a college, the sons are working as a teacher, junior engineer and lecturer respectively. The economic status of the family has improved tremendously..

Educated youth till the 10th grade grow up expecting handsome rewards for the higher education which are sadly not available. Neither are they able to go back to manual work nor are they able to settle in better paid options due to the standard “education”. The poor need strong motivation to pursue education at their family level as many a time it requires large sacrifices. Rarely the facilitators came across an instance like the one below.

### *Health care*

The state of the health care system demands urgent reforms. Huge investments have already been made in the public health care system, but its utilization is suboptimal. There are many reasons for this, which range from inadequate funds for medicines, infrastructure and diagnostics; lopsided personnel structure; poor services by doctors and para-medical staff; lack of responsiveness to health needs of the community, and need for better management.

- Improving the quality of the public health care system and bringing it under the supervision of the local community is one way out. Decentralization of hospital management after placing the management under community control may also serve to increase efficiency.
- A thorny issue is that of involving the private sector in in-patient and out-patient care. The private health care system is quite diverse, ranging from traditional healers, quacks, chemists, and registered medical practitioners (RMPs) to qualified medical practitioners (allopathic, Homeopathic, and Ayurvedic). The range of private health institutions is also quite large.
- Public-private partnerships are also an emerging option. There are some models in which public and private partnerships have emerged (as in Pulse Polio and in reproductive health care) and it would be worth while to build synergy between the sectors.
- Adequacy of doctors, drugs, emergency services, diagnostic facilities, women doctors and redefined incentivized service norms are also necessary.
- Preventive efforts should be emphasized in terms of provision of drinking water and sanitation, cleanliness and nutrition.

### *Urban slum development*

Eviction has been stated to be an important criterion contributing toward ill-being. It also has been ranked high in problem prioritization in urban areas along with sanitation. There is an urgent need for a stable slum dweller policy, to free them from the clutches of local lords who expropriate money from them and capitalize on their vulnerability. There should be planned areas for slum clusters and a regular census of new entrants, issue of smart cards, and monitoring by local community organizations.

Adequate provision of basic infrastructure such as roads, drinking water supply, toilets, drainage, sewerage systems, electricity, and other basic amenities have to be made and excessive congestion in sites providing homes to the urban poor has to be reduced. Such infrastructure impacts greatly on the lives of the poor.

- Individual toilets for instance are the number one priority among poor women.
- Along with the provision of infrastructure, its maintenance and affordability to the poor have also to be taken into account.

### *Strengthening the public distribution system*

PDS is a program which is welcomed by the poor in all areas. However, the PDS entails enormous costs at the macro level and its benefits vary regionally. These issues require to be addressed.

However, the efficiency of the program can be enhanced quite significantly by addressing issues relating to the supply chain, introducing greater flexibility in the lifting of grain, addressing problems of retailers and improving their returns, introducing better supervision, supply of good quality grain, flexibility in purchase, and improved coverage of the poor.

Community management or supervision models in terms of implementing the PDS have also shown encouraging results.

### *Anganwadis*

In many states, anganwadis are able to provide supplementary nutrition to a large number of children and expectant mothers. But in some areas, anganwadis cannot cope with the numbers of children. Among the problems that need to be addressed are issues of remuneration to anganwadi workers to cover their direct and indirect costs, problems of excessive workload and paperwork, ceiling on children that they can handle, poor location of balwadis, and issues in handling of ration due to lack of effective supervision and accountability mechanisms.

## Responses of Service Providers

Several senior government officials consulted during PPAs, including district collectors and CEOs of Zilla and Janpad panchayats emphasized upon the need for greater awareness about government programs and schemes, capacity building of gram panchayat functionaries, filling up of vacant positions in the frontline government agencies to enable better monitoring of development interventions and approaches like micro-planning.

Many elected representatives of gram panchayats consulted during PPAs lamented their limited powers and high dependence on officials of Janpad panchayats.

Fair-price shop dealers brought to the fore the problems relating to non-provision of surplus stocks to make up for shortfalls in supply of goods and large number of villages serviced by them.

Anganwadi workers lamented irregularities in payment of salaries and reimbursables, and irregular visits of auxiliary nursing staff.

Forest officials consulted during PPAs aspired for greater cooperation from forest-dependent communities in their efforts to conserve forest resources.

## Governance and Institutional Framework

There are a plethora of poverty reduction initiatives which target poor people or areas with extremely poor resource endowments, and have a large potential in transforming the lives of poor people. The PPAs show many instances when enabling conditions have been right and impact has been considerable.

There are also many factors which impinge on the performance of these interventions. These include

- (a) the functioning of local institutions which are responsible for many functions including the identification of the potential poor beneficiaries; planning and supervision;
- (b) the mobilization of the poor and their self-organization, including in SHGs;
- (c) the role of facilitating organizations, including government, community based organizations, private players; and
- (d) the design of the interventions which includes the extent to which they can flexibly deal with the varying contexts of poverty.

### *Strengthening governance institutions*

The system of governance at all levels and almost in all spheres has to be improved and has to provide room for the needs, aspirations and voices of the poor, far more effectively than has been the case so far.

### *Improving local governance*

The formal systems of local self-governance (rural and urban local bodies) have been bestowed with considerable powers, functions and responsibilities and form one set of institutions which impact on the lives of the poor, both indirectly and directly. Although the functioning of these institutions varies considerably between and within states, much more needs to be done to ensure that local governance institutions function effectively in carrying out their pro-poor responsibilities.

Views of the poor on what needs to be done to strengthen decentralized decision-making are diverse. During the PPAs, people opined that:

- Communities should be allowed to make their own plans for development
- Funds to be allocated based on these plans (micro-plans) and not tied to something that may not be required in the particular ward.
- An important suggestion (secondary stakeholders) was that the local bodies should be encouraged to raise their own financial resources which will give them more freedom in its spending per the local requirements.
- Panchayat elections should not be party based or party supported and should be solely on the merits of individual contenders.
- Panchayat functionaries need to be trained for developmental, administrative and financial roles. Leadership training, with inputs on aspects like handling of accounts, gender sensitization, scope of various schemes, etc. should be especially provided to women sarpanches and to elected representatives belonging to socially deprived groups.
- An important weakness of the panchayats – even in states where devolution has made significant headway - appears to be lack of capacity in planning, monitoring and evaluating projects. This capacity needs to be built up using both governmental and nongovernmental resources.

- Before the panchayats call for another Gram Sabha, the second rule of quorum (adjournment and second meeting) needs to be modified to say that at least 60% of the voters need to be present. This will help in identifying only such issues that are a priority for the people and will not allow the panchayats to pursue their own ends.
- Issue based meetings to be held and not all themes should be mixed together.
- Meetings should be held at times and places that are convenient to the population. Simple rules of business should be enunciated and followed. For instance, the date, time and venue of all panchayat meetings must be determined and communicated in advance, and concerned functionaries must be held accountable for non-holding of meetings.
- Any scheme endorsed by the Panchayat needs to be operationalized within a month and not the minimum of one year that it takes.
- The accountability of both elected and nonelected (bureaucratic) functionaries must be increased through checks and balances.
- Systems of social audit need to be promoted, making it mandatory for panchayats to account for expenditure incurred and to justify the selection of beneficiaries under various schemes and programs. Visual forms of depiction of schemes and accounts can be used.

The PPAs show that a Government-people partnership can help ensure that democratic norms are observed, transparency is maintained, and functionaries work effectively and are accountable. The example given below shows how with small but clear changes, the access of people to the panchayat functionaries can be increased on a regular basis. The net result is that panchayat functionaries can function more effectively and with greater transparency.

### **Establishment of Village Secretariats**

Establishment of village secretariats in gram panchayat buildings has improved accessibility to panchayat functionaries in some villages. This has also created a significant opportunity for people to access relevant information relating to government schemes and interventions. The panchayats and village secretariats are required to operate out of their village-based offices and update records relating to all government works in the panchayat.

### *Enhancing service delivery*

Rather than rely on administrative reports which are filed away, holding of review meetings in remote locations by senior officers can lead to quicker redress of problems. Such community based reviews (Jan sunwais) by community based organizations also result in better understanding and addressing of the problems of the poor.

#### **Holding of Review Meetings by Senior Officers in Remote Villages**

The poor were highly appreciative of the initiatives of district administrations to conduct periodic review meetings to monitor the performance of government schemes and programs in remote villages. These meetings carried out in the presence of representatives of various line departments and service providers have been very useful. Such has been the impact of this initiative, that poor villagers even borrow money to travel to the location of meeting whenever these are being held in locations accessible from their village.

The poor were highly appreciative of the initiatives of district administrations to conduct periodic review meetings to monitor the performance of government schemes and programs in remote villages.

In many locations alternate forms of governance and community empowerment have led to enhanced impacts on access to services.

- SHGs have been entrusted with a wide range of development functions including group farming, water management, and management of public distribution system outlets with good results.
- Similarly, better results have been observed when panchayats and cooperatives have taken the responsibility of managing the public distribution system outlets.

### *Speedier disposal of court cases*

During the PPAs, several cases of disputes leading to protracted court cases came to light, which were thought to be particularly disadvantageous to the poor. Greater sensitization of judicial systems is urgently required to guard against avoidable expenditure in prolonged litigation.



### **Engaging Community-based Organizations and SHGs with Management of Key Services like PDS**

This SHG was set up in July 2003 under a tribal development program supported by the International Fund for Agriculture and Development (IFAD). The group - rated as an efficient SHG in the region by the Zilla Panchayat - has been undertaking a wide range of development activities including collective farming, rainwater harvesting, and construction of field channels. It was also entrusted with management of PDS in Khardana panchayat in Jashpur. Similarly, in places where PDS is managed by local panchayats and community based groups, it has become much more convenient for the local villagers to lift their quotas on time.

At the same time, alternative dispute resolution mechanisms exist and have been acknowledged by the poor. These include family courts, Nyaya panchayats, and traditional panchayats. These need to be assessed and streamlined.

#### ***Law and order***

The maintenance of law and order is a critical responsibility of the State. The law and order machinery is the first port of call if there is an infringement of legal rights. The PPAs show the police as an institution with which the poor interact with considerable apprehension and rate quite poorly. The institution is still guided by archaic rules and concepts, which have not kept pace with the transformation of Indian democracy. Thus police reforms and sensitization of the police force to deal with complaints involving the poor need urgent priority.

#### ***Conflict and poverty***

Some of the areas covered by the PPAs are embroiled in conflict. In some cases, the issues at stake are the denial of basic rights to sections of the poor, who are identified by their ethnic identity or religion. The conflict also disrupts processes of development and introduces new forms of insecurity. A critical task of governance is to bring peace and stability in the lives of the poor.

### *Responsive institutions*

The responsiveness of the institutions of governance to problems faced by the poor can have a salutary effect in terms of raising the credibility of these institutions and in helping find solutions through suitable interventions. In the PPAs, weekly meetings by officials in far-flung localities in some of the States, where they listen to the problems of the poor and try to find on-the-spot solutions have been extremely well regarded by the poor. On the other hand, there are also cases, where the officials have disregarded individual and collective petitions and legitimate decisions taken by constitutional bodies such as groups of village panchayats, leading to erosion of confidence and unrest. It should be possible to systematically generalize the responsive models of administration, and to extend this model not only to the administration but to all public institutions with which the poor interact.

### *Empowerment*

Empowerment has resulted, among others, from collective mobilization of the poor around political, social and economic goals. It has led to greater self-dignity and conscious efforts by the poor to overcome constraints and pursue certain objectives. It has also put pressure on the institutions of governance to respond to the demands emanating from below.

### **SHGs and Collective Action Against Social Exploitation (Crusade against alcoholism and domestic violence)**

Alcoholism is a rampant problem especially amongst the male population in many villages. The male members of the household do not contribute their earning toward household expenditure. In addition, they forcefully snatch their wife's earnings when they run short of money for drinking. Women have also been victims of severe domestic violence. The women members in E village became united after the formation of a SHG and started a movement against alcoholism and domestic violence. Now they immediately rush to households where there is domestic violence or men are drunk. They adopt multiple on-the-spot approaches to solve the problem such as punishing drunkards; going and reporting to the local police station about domestic violence and drinking; storming local government offices; blocking normal work of panchayats, block office, and the collector's office; and demanding their intervention to close liquor shops adjacent to their village.

In the PPAs, such mobilization is seen to occur in diverse ways. In many areas, women's SHGs have been able to forge a collective platform to question social practices and to demand public goods. They have also promoted efficient service delivery.

Consolidation and promotion of such initiatives for mobilization will significantly benefit the poor.

**Support private initiatives:** The economies of the poor are embedded in a web of market transactions, the scope of which has rapidly increased. Private initiatives have also now increased in scope, extending from markets to provision of technologies, extension services and information.

The basic issue is how the poor, who are small players, can take advantage of growing domestic and global markets, without substantially increasing their risks and vulnerability. This involves innovative role of their own associations, of the State, and of various types of safety nets.

The nongovernmental sector is also increasingly playing an important role in supporting institution building, strengthening capacity, social empowerment, and facilitating the livelihoods of poor people. However, their coverage is relatively limited and uneven.

Given the strengths and weaknesses of various sectors, there is a need to synergizing the strengths of the various actors to enable the poor to overcome poverty.

## **Social Security, Social Protection and Core Labor Standards**

The living and working conditions of the poor – which carry large risks, imply that the poor need formal social security mechanisms, which can provide a cushion in times of illness, untimely death and accidents, and retirement.

- Due to social acceptance by certain segments, social dominance, lack of wage earning and credit alternatives, practices such as forced labor and child work do not get identified easily. The victims of these practices are often in a vicious cycle of lack of livelihood options and debt which traps them in their existing condition. Exclusive surveys could perhaps be commissioned to specifically identify people engaged under such exploitative conditions. Special support should be provided on a priority basis to people subjected to such conditions. Community-based credit systems (e.g., SHGs/grain banks/seed banks/fodder banks, etc.) need to be promoted and supported at a wide scale involving people who are not credit-worthy.

- Specific interventions are needed for migrant laborers. Specific interventions could include identification of urban areas attracting large number of migrants, and providing basic services like drinking water, primary education and primary health care facilities in a concentrated way.
- Additional interventions are needed for seasonally migrant labor who are among the most vulnerable sections and who often lack entitlements both in their areas of origin and in the areas to which they migrate.
- The need for social security and social insurance was greatly felt by the poor. PPA interactions brought out several instances of exclusion of extremely poor households from the various social security schemes as the schemes are few and are monopolized by the powerful and the influential.
- There is urgency for an Informal sector policy to address the legitimacy of informal sector workers and provide access to organization and credit. If well organized, hawking could be regulated and some of the money which goes at present to unauthorized elements could be diverted to the Municipality, thus making the informal sector contribute to the economy. This will prevent harassment of the poor and enhance state revenues.

### **Problems of the Aged Poor**

There is a high proportion of elderly lacking family support due to migration and other factors. These old people have to fend for themselves, take up cattle grazing for others, or even resort to begging. In some cases, they have been deserted on account of their being considered a burden on younger people. Although the coverage of the schemes of old age pensions (OAP) and Annapurna were limited, they were considered very important by the few beneficiaries.

In view of the delays in processing of applications and sanctioning of social security benefits, standards of time need to be specified for each stage of processing, exceeding which could be deemed as an act of inefficiency of the concerned processing authority.

Several states have pioneered social security schemes.

## Old Age Pension – Not the Time to Wait

While the coverage of schemes like Annapurna Yojana and other social security benefits (old age pension and widow pension) was found to be too limited, these schemes were rated to be extremely important and life-saving by the elderly people consulted during the PPAs. The few people who benefited under these schemes were by and large found to be from the lowest well-being category defined by the poor in the PPA sites. However, the process of formalizing one's claim for receiving such support and the process of sanctioning the same is often too time-consuming, costly and cumbersome for the poor (see case study below). In some sites poor elderly women recalled several instances wherein the payments of pension were not timely, and the secretary had occasionally used his discretion to pay the pension amount in equivalent terms in kind. Increasing the magnitude of the benefits and bringing more and more destitute people under the folds of these schemes were two of the commonest aspirations of the elderly people.

Activity	Cost & time
A Application submitted in panchayat; 10 months after death of her pensioner husband. Asked by secretary a week later to lodge report of husband's death in the police station	1 week
B Report lodged in the police station	Rs100/- bribe & 1 day
C Documents submitted in the panchayat	1 week later
D Application & documents forwarded by panchayat to the Janpad panchayat, 10 days later	Rs50/- (bribe) 10 days
E Visit to the Janpad panchayat a month later, along with secretary, to put her thumb impression on pension form	Rs150/- (cost of form) Rs50/- (transportation)
F Documents forwarded to Zilla panchayat	1 month
G Successive enquiries in the village panchayat about status of the case - only to be told, "sanction not received yet from Zilla Panchayat!"	

## **Innovative Approaches to Social Security**

There are few social security schemes for workers in the informal sector. West Bengal (GoWB) introduced a Provident Fund for Agricultural Laborers (PROFLAL) scheme in 1998. The eligible subscribers to the scheme have to deposit Rs10/- per month and GoWB contributes an equal amount until such time the subscribers attain the age of 50 years, when the accumulated amount along with interest is paid to the latter. During the field study, it was assessed that the coverage and awareness of the scheme varied between the study districts but found favor overall.

## **Reducing Sporadic Poverty**

### ***Minimizing adverse impacts of drought, flood and natural disasters***

Natural Disasters increase the vulnerability of poor people and their occurrence pushes people deeper into poverty. Hence strategies are needed to reduce their impact, to help poor people cope with disasters once they occur, and to regenerate livelihoods as quickly as possible. For drought prone and flood prone villages, supportive strategies for irrigated paddy, dry season crops, agro forestry, horticulture, livestock and poultry, NTFP and cash crops are important not only as coping strategies but also for poverty reduction. In areas where land erosion is a major problem, the affected communities have asked for a more robust system of tackling land erosion and related problems such as loss of livelihood and displacement.

Assurance of an alternate livelihood, credit facilities, schemes to improve land productivity and develop horticulture, plantation of minor forest and access to land documents are some of the demands voiced by the resettled communities.

### ***Strengthening Safeguards against adverse impact of large projects and Sudden Closures***

The PPA has brought to the fore several instances of exclusion of the poor from basic services on account of displacement from their natural base caused by large projects. The whole policy framework within which displacements are carried out and rehabilitation measures are administered needs to be reviewed.

During interactions with the poor affected by large projects, the following necessities emerged very strongly:

- Occupancy of any part of village land, be it agricultural land or habitation area, should be directly negotiated in gram sabha meetings and the compensation arrangements must also be ratified by the gram sabha.
- Displacements should be undertaken only after payment of full compensation to the affected poor, and certainly not until all legal disputes are resolved.
- Rehabilitation sites must ensure availability of all basic services and amenities in fully functional state, and availability of viable livelihood opportunities to offset the losses of displacement.
- Compensatory livelihood options should not carry gender-biases (e.g., extend opportunities only to able-bodied males).

### *PPAs- building social capital*

Social mobilization of the poor and acquiring social capital appear to be a key route through which the poor can capitalize on building their own resources and on maximizing the pro-poor impact of development programs. How can the social capital with the poor be promoted? How can the poor be empowered so that their networks help them in securing benefits of different kinds? Consultations with the poor suggest the following:

- **Attacking Dependency:** As long as the poor are dependent on the rich or the elite, and exploited by them, the poor will not be empowered. It is important for the poor to therefore get organized in a way that their organization plugs the sources of their exploitation and enables them to stand on their own.
- **Specialized Associations:** Another social capital or organization form, which has helped the poor, is organization around natural resources. Pani Panchayat (for water), Joint Forest Management or Watershed development societies have empowered the poor by giving them work and assets on the one hand and collective strength on the other hand.
- **Caste:** Interactions with the poor suggest that the caste system serves as a “protective” social capital, providing security and a community feeling to the poor. It gives them an identity and a sense of belonging. The system provides a wider support group

among the poor, than the family, and it provides a social life in which all members can participate. They enjoy a place of respect in their own respective castes. In certain cases, castes provide social security (if they can afford), provide help in social functions and support in family crisis. This points to a need for alternate systems of social security and social capital to facilitate social changes.

- **SHGs:** One important organization that has empowered the poor is the SHG. The poor are able to face crises without getting exploited as SHGs allow them to borrow money at reasonable terms (as compared to the terms of private moneylenders). Food banks also serve the goal of food security. SHGs have served as a great source of alternate governance in managing public distribution system outlets and services for the poor.

### Self-help Groups, the Organized Social Capital

SHGs are emerging as a dominant route for developing women's capacity in many villages. Participatory assessments on the strengths and limitations of such SHGs suggest that through SHGs, many women have come together with a feeling of like-minded camaraderie and social bonding. Good leadership as a factor has also emerged in many SHGs and has paved the way for organized group work, group perseverance and getting institutional support. SHGs have encouraged thrift, entrepreneurship and skill building among the women members and have provided opportunities for productive investment. Women SHG members have taken up social issues such as an anti-alcohol campaign. SHGs have also provided a ready platform for convergence of development activities such as health schemes, capacity building activities, cooking midday meals, sanitation, taking polio drops, family welfare schemes, etc.

Men's SHGs as well as mixed SHGs have been coming up in different areas. Groups have taken up service contracts. Some have set up poultry farms, while a few have even ventured into sophisticated manufacturing of items such as cement pillars, detergents and batteries. Such initiatives need to be encouraged and sustained.

However many SHGs still need to reach the stage of group-initiated development activities without outside support. Ways of institutional linking and integration of SHGs with Panchayat bodies also need to be evolved.



### *PPAs - addressing social roots of deprivation and gender deprivation*

As the PPAs attest, the social roots of deprivation (both on the lines of caste and gender) run deep and constrain opportunities available to socially deprived groups. A multi-pronged initiative is needed to address this deprivation, which should take into account the fact that social deprivation may become culturally embedded even in the victims of deprivation, making their mainstreaming even more difficult.

- Policy to strengthen socio-economic empowerment of marginalized and socially excluded groups through appropriate investment, training and opportunities needs to be planned in a participatory and creative manner.
- There should be a large scale gender-sensitization campaign which should target public functionaries in the first instance. Existing groups of women (e.g., SHGs / mahila mandals, etc.) need to be sensitized to act against instances of gender discrimination faced by women.
- The implementation of existing laws on violence against women, domestic violence, sex-selective abortions, and foeticides should be closely monitored.

### **Addressing Expenditure patterns**

The expenditure patterns of the poor need to be reviewed and options provided for better expenditure management.

Awareness to minimize expenditure on alcohol and social occasions needs to be facilitated through counseling and punitive measures against social evils. Better nutrition awareness and use of local resources needs to be encouraged.

Micro finance initiatives have helped enhance savings and contingency measures. Insurance and social security schemes targeted at the poor may help re-appropriate some of their income towards productive future use.