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RURAL DEVELOPMENT STRATEGIES: A SURVEY OF POLICY OPTIONS  
AND THE CONCEPTS OF INTEGRATION AND BASIC NEEDS

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AND THE CONCEPTS OF INTEGRATION AND BASIC NEEDS

A Report to the  
Office of Rural and Administrative Development  
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PREFACE

This report is in three parts. Part I, "Integration" and "Basic Needs" in Strategies for Rural Development has been prepared by Bruce F. Johnston, the principal investigator. Part II, Rural Development, Policy Design, and Policies in Action, is a longer monograph prepared by Jyotirindra Das Gupta, the associate investigator. Part III, Minimum Tasks of Primary Health Care Workers, is a short statement prepared by Reynaldo Martorell, associate professor of nutrition in the Food Research Institute and a consultant to the project.

The small research grant from AID for a study of "integrated rural development and basic needs" provided partial support for this research and enabled Johnston and Das Gupta to make short visits to the Philippines, India, and Kenya in July and August 1978. We are indebted to members of the USAID missions in those three countries for their assistance in making arrangements to meet with a large number of government officials in each country. And we owe an even greater debt to the economic planners, agricultural administrators, health and nutrition specialists, and other civil servants who took time from their busy schedules to discuss these issues in a frank and highly informative way. In each country we also had opportunities to discuss this same range of issues with university scholars and in two of the countries with influential political leaders.

Preparation of this report has involved considerable collaboration between an agricultural economist (Johnston) and a political scientist (Das Gupta). The plan for the study was developed jointly, and both investigators participated in virtually all of the interviews during the country visits. The decision to prepare separate monographs was due in part to the fact that Johnston spent a year at the International Institute for Applied Systems Analysis (IIASA) in Laxenburg, Austria; and Das Gupta left Berkeley to undertake further research in India on September 1, 1979, just a week after Johnston's return to Stanford. There are advantages as well as disadvantages associated with this division of labor that took the form of preparing separate though closely related papers. In both Parts I and II there is concern with the economic and the political dimensions of the process of rural development, and Johnston was able to draw on Das Gupta's manuscript in completing his contribution.

As an agricultural economist, Johnston gives major attention to the economic and technological aspects of rural development, but he stresses the interplay between those factors and institutional factors and also gives considerable attention to nutrition, health, and population. As a political scientist, Das Gupta emphasizes the political forces which influence the attention given by a country's political authorities to the various components of rural development and to the extent to which this attention is translated into action. The perspective is thus wider in scope than the emphasis on administration that characterizes so many studies of development by political scientists and especially by specialists in public administration. In fact, questions of organizational design and structure and management processes are stressed more by Johnston. Parts I and II are in many ways

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complementary, especially in the more detailed attention in Part II to specific programs in India and to a lesser extent in the Philippines and Kenya. However, each part stands as a self-contained report.

A key issue related to the design and implementation of rural health schemes capable of achieving broad coverage of a country's rural population is to determine the activities that should receive priority in the initial and subsequent stages in the launching of such programs. Martorell's paper draws on his past experience and continuing association with INCAP, the Institute for Nutrition in Central America and Panama. In my opinion, it makes a very valuable contribution to this issue of priorities, and in so doing suggests some of the reasons why such programs appear to be both desirable and feasible. His short statement is also self-contained and can be read with profit without reference to the other two parts of this report.

Bruce F. Johnston, Principal Investigator  
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October 15, 1979

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PART I

"INTEGRATION" AND "BASIC NEEDS" IN  
STRATEGIES FOR RURAL DEVELOPMENT

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paradigm as a "trickle-down" theory of development. But W. Arthur Lewis and others who contributed to that paradigm are extremely able and knowledgeable economists. It would be arrogant to dismiss their views too casually even though we now have the advantage of 25 years of hindsight. It seems more appropriate to consider at least briefly what went wrong.

The clearest statements of Lewis's views are his 1954 article on "Economic Development with Unlimited Supplies of Labour" and his 1953 treatise, A Theory of Economic Growth. Lewis explicitly recognized that his theory focused on the scenario of a "success case." And he noted that various factors could lead to failure instead of the unfolding of the optimistic scenario. According to the optimistic view of the development process which Lewis emphasized, a rising rate of capital formation would lead to rapid expansion of the "capitalist" or "modern" industrial sector and to the transfer of low productivity workers from agriculture and other "subsistence" or "traditional" sectors to more productive sectors. As a consequence of that structural transformation, the surplus of labor in the traditional sector would be eliminated and labor incomes could be expected to rise throughout the economy in pace with rising productivity.

Two factors are conspicuously important in explaining the failure of that paradigm.<sup>1</sup> First, even though many countries experienced a rapid increase in the rate of capital formation, this did not lead to rapid expansion in nonfarm employment. The Lewis model assumed that investment in the modern sector would be capital widening rather than capital deepening.

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<sup>1</sup>For a very different explanation of the failure of many developing countries to realize their goals of "social modernization," see J. S. Migdal (1979, pp. 191-92).

PART I

"INTEGRATION" AND "BASIC NEEDS" IN STRATEGIES FOR RURAL DEVELOPMENT

The concepts of "integrated rural development" and "basic needs" evoke a variety of reactions. At one extreme each of the concepts is put forward by enthusiastic supporters as a panacea for the shortcomings of past strategies for promoting economic and social development. At the other extreme are critics who would dismiss the concepts as being nothing more than new twists in the rhetoric of development or even as faddish and unrealistic notions which could be harmful if taken seriously.

A. INTEGRATED RURAL DEVELOPMENT AND BASIC NEEDS:  
EMERGENCE OF THE CONCEPTS

As a first step in assessing the theoretical and practical value of the concepts of integrated rural development and basic needs, it is essential to consider both concepts in the context of evolving ideas and perceptions of development. The phrase "integrated rural development" is distinguished from the earlier emphasis on "agricultural development" by its focus on rural in addition to its emphasis on the proposition that development should be integrated. It is also instructive to consider the relationship between the basic needs concept and antecedent concerns with employment, with income distribution, and with "poverty-oriented strategies."

The concepts of "integrated rural development" and "basic needs" are, like earlier shifts of attention away from preoccupation with investment and growth of GNP, a reaction to growing awareness of the shortcomings of the development paradigm that dominated thinking in the 1950s and well into the 1960s. It is now fashionable to speak disparagingly of the earlier

But it is now apparent that the import-substitution strategies that were pursued, together with the low-interest-rate policies and overvalued exchange rates which accompanied them meant that even very high rates of investment and growth of manufacturing output gave rise to only a rather slow expansion of nonfarm employment.<sup>1</sup>

The other major factor which caused experience to diverge so sharply from the model was the sharp upsurge in population growth rates in the late 1940s and early 1950s which, after a lag, resulted in similarly explosive growth of the population of working age in developing countries. When a country's total labor force is increasing rapidly and the farm work force initially weighs very heavily in the total labor force, nonfarm employment would have to increase at an impossibly high rate to prevent large increases in the absolute size of the farm labor force. (See Johnston, 1970, pp. 380-82 and references cited therein.) Given those demographic and structural characteristics and the capital intensity of nonfarm investment, it is not surprising that developing countries such as India have experienced virtually no reduction in the share of their total labor force dependent on agriculture (Krishna, 1978). Consequently, the agricultural sectors in all of the low-income and most of the "lower-middle-income" developing countries have had to support large increases in population and labor force. Even more important, because of the "arithmetic of population growth and structural transformation, "the rural population and work force will continue to increase in these countries for several decades at least.

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<sup>1</sup>The capital-intensive patterns of investment in the high-income, technology-exporting countries have also contributed to the anti-employment bias. See Kilby's analysis of the problems of choice of technology and technology transfer in Johnston and Kilby (1975, Chapter 3).

Growing awareness of the labor force explosion and the problems of under- and unemployment led to an explicit focus on the expansion of employment as a development objective. The reports of the ILO employment missions to Kenya and the Philippines are notable examples of that emphasis (ILO, 1972, 1974). The Kenya report enlarged the focus, however, by emphasizing the need to be concerned with many households that are extremely poor even though family members are working long hours—but at low productivity tasks which yield a miserably low income.

Recognition of the magnitude and persistence of poverty has also directed attention to the fact that growth in average GNP is not a reliable indicator of improved social welfare when a large fraction of a country's population is bypassed by the process of economic growth so that the extent and seriousness of the deprivations that are associated with poverty are intensified by a highly unequal distribution of income. One response to that perception has been an emphasis on "poverty-oriented strategies" which seek to narrow inequalities in income distribution and to give top priority to the reduction of deprivation among "target groups" of families within the bottom deciles of the income distribution. And evidence which made it clear that the great majority of the poor households are located in rural areas has led to increased emphasis on rural development as a crucial component of poverty-oriented strategies. The distorted weighting implicit in relying on increases in average GNP is emphasized in the influential book, Redistribution with Growth (Chenery et al., 1974), which advocates target-oriented approaches to the reduction of poverty. The World Bank volume, The Assault on World Poverty: Problems of Rural Development, Education and Health (1975), stresses the central importance of the rural

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sector in poverty-oriented strategies.

### Integrated Rural Development

The term integrated rural development is much used in the current literature on development, but there is no agreed definition of its meaning. The concept of integrated rural development, as was noted earlier, is distinguished by a focus on rural rather than agricultural development as well as by its emphasis on integration. One fairly obvious way of distinguishing rural development is that in addition to agricultural development, it embraces a concern with additional components of a rural development strategy such as (1) strengthening the rural infrastructure, (2) promotion of rural-based industries, (3) expanding rural education, and (4) increasing the coverage of health and health-related activities in rural areas.

A recent book by Rondinelli and Ruddla puts its major emphasis on the spatial aspect of rural development. "A Framework for Integrated Rural Development" is the title of a major section of the book, and the term is used repeatedly but never defined (Rondinelli and Ruddla, 1978, p. 30 ff.). In fact, their primary focus is on "Integrating communities and their productive activities into a national economy" and especially with the spatial dimensions of that process (p. 159 and passim).

It has also become common to define rural development in terms of a concern with improving the well-being of the rural population and especially of low-income rural households. Thus in her book on the design of rural development in Africa, Lala (1975, p. 20) states that "rural development is defined as improving living standards of the mass of a low-income population residing in rural areas and making the process of their development self-sustaining." The World Bank sector policy paper on rural development

is even more explicit: "Rural development is a strategy designed to improve the economic and social life of a specific group of people—the rural poor" (World Bank, 1975, p. 3).

Kotwar (1978, p. 105) makes a direct link between integrated rural development and coming to grips with the poverty of rural groups bypassed by development when he states "that IRD means the integration of the left-out into society and the economy as a whole." Thus he defines integrated rural development as a desired end result. But in fact integrated rural development is a concept which, as Das Gupta emphasizes in Part II, can take on a variety of forms depending on the scope and degree of integration involved. Attempts to apply the concept in the design and implementation of rural development strategies lie at various points along one continuum defined by the scope or range of activities that are included and on a second continuum that is defined by the degree of integration, which may vary from loose coordination to tight administrative integration. For example, the "integrated attention" of political authorities to a wide range of components of a rural development strategy, the use of the concept which Das Gupta emphasizes, is obviously very broad in scope; but it leaves open questions concerning the degree of coordination or administrative integration of the policies and programs that are adopted. On the other hand, integrated health programs are comparatively narrow in scope, being limited to a set of interrelated health, nutrition, and family planning activities; but they are ambitious in seeking to administratively integrate those activities in a "composite package" program.

The logic of integrated rural development (IRD).—In general terms, the logic of underlying the concept of IRD is that more substantial or more

certain results can be obtained if a range of activities are "integrated" because of important complementarities among those activities. This consideration is most obvious in connection with the interrelated activities that are essential for increasing agricultural production. Wortman and Cummings (1978, p. 235) emphasize that in order for farmers to increase their productivity four "requisites" must be met: (1) an improved farming system; (2) instruction of farmers; (3) supply of inputs; (4) availability of markets. They note that those requisites are very similar to the five "essentials" which were emphasized by Mosher (1966, p. 61) who stated flatly that if anyone of those essentials is neglected "there can be no agricultural development." Wortman and Cummings also note that many irrigation schemes fail to achieve their objectives because "no provision is made for land leveling, construction of the system of channels to deliver water to individual farms as needed, or for development or testing of high-yielding cropping systems which could be employed" (Wortman and Cummings, 1978, p. 258). Efficient utilization of water supplies from irrigation schemes also requires a considerable emphasis on institution-building, on training of farmers, and on devices and procedures for insuring that water is fairly and efficiently distributed among farmers within a command area (Takase and Wickham, 1978). It is not surprising that India is putting a great deal of emphasis on the Command Area Development Programme examined by Das Gupta in Chapter 3 of Part II. Experience in India has also demonstrated that special programs to assist small farmers or landless laborers to obtain milking cows or buffaloes can make a highly significant contribution to raising such households above the poverty line. But that experience has also demonstrated that such programs fail unless there is concurrent action to strengthen

veterinary services, provide chilling facilities, and to assure market outlets for the milk.

Recognition of the importance of technical complementarities in agricultural development leads to the conclusion that development activities must be comprehensive—but not necessarily integrated. Thus Wortman and Cummings (1978, p. 239) assert emphatically that: "Synchronization of public and private services to satisfy all requisites simultaneously, locality by locality, is fundamental." But they leave open the question as to how such synchronization should be achieved. Indeed there is such great variation between and within countries with regard to both the need and capacity for government interventions to assure that all requisites are simultaneously available, it seems obvious that no general conclusion is possible.

In contrast to the foregoing emphasis on intrasectoral integration, the concept of IRD is sometimes advocated as a means of linking economic and social development, e.g., by including investment in roads and other types of infrastructure and a program for expanding health services along with activities aimed directly at increasing agricultural production. Indeed this broader intersectoral view of IRD tends to merge with an emphasis on a basic needs approach oriented toward a country's rural population. In particular, they have in common an emphasis on the complementarity between programs aimed at generating improved income-earning opportunities and programs to improve human resources by interventions aimed directly at, for example, nutritional status or health.

The appeal of IRD.—Although the appeal of the concept of IRD derives in large part from a recognition of the technical and other complementarities

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among development activities, its appeal is also to be explained as a reaction to the perceived shortcomings of past programs of agricultural development. Kutter's emphasis on IRD as a means of integrating the by-passed rural poor into the process of economic and social development seems clearly to be an expression of concern with the common failure to achieve broad-based rural development.

In some instances, donor agencies have probably promoted integrated rural development projects because this made it easier to include financial and technical assistance for a range of activities. The World Bank, for example, has been reluctant to provide loans for health programs as such, but it has been willing to include support for health activities as part of comprehensive rural development programs.

Another source of support for an integrated approach has no doubt been a reaction against the common tendency to establish a multitude of agencies to deal with various aspects of agricultural or rural development. To some extent, IRD can be viewed as simply the latest of various attempts to overcome the problems of "implementation" which are commonly recognized as being especially difficult in connection with rural development programs. In a report on implementing an integrated area development program in the Philippines, Honadle (1977, p. A-26) asserts that "integration implies simplified organization rather than increased complexity."

IRD in practice.--There is sometimes a tendency to simply view integration as a good thing which should therefore be maximized. Most administrators, advisors, and research workers are aware, however, that even coordination, the least demanding approach to integration, is difficult and time consuming and therefore has a high opportunity cost. Thus the relevant question is

not whether integrated rural development is desirable but rather: how much integration of rural development should be attempted and by what means? The general answer to that question expressed by S. C. Hsieh of the Asian Development Bank, who has been concerned with problems of rural development as a research scholar as well as a development administrator, is that there should be the "minimum" degree of integration that is "necessary." Clearly, specific conditions in a particular country and area will influence greatly the integration that is both "necessary" and the extent to which integration is feasible and cost effective.

An important study by Pressman and Wildavsky (1973) of the failure of an employment-oriented poverty program in the United States--an account of "how great expectations in Washington are dashed in Oakland" because of problems of implementation--emphasizes the importance of simplicity in the design of programs in order to improve the prospects for effective implementation. And they argue that "coordination," which is so often invoked as the answer to weak implementation, "is a term not for solving problems but for renaming them. . . ." (Pressman and Wildavsky, 1973, p. 128). They also make the important observation that failure to recognize the seriousness of the obstacles to implementation inhibits the learning process that is essential if policy design and implementation are to achieve their goals.

A common response to the difficulties of implementing rural development programs has been to create a semiautonomous Project Management Unit with responsibility for a specific geographical area (Honadle, 1977, pp. 2-3). Lela (1975, p. 189) reports that reliance on such semiautonomous administrative structures is especially likely to be resorted to in "administering complex integrated programs, since they involve activities of a number of

departments and local governmental agencies. . . .'

There now seems to be considerable agreement concerning the serious disadvantages of such attempts to bypass the problems involved in strengthening a country's general administrative capacity for implementing agricultural development programs by creating a semiautonomous unit with special staff, perquisites, and often with substantial participation of foreign administrators or advisors. First, the steps taken to ensure strong administrative capability in such special units is often at the expense of further weakening the morale and competence of the general administrative machinery functioning in rural areas. Second, the level of financial support for production programs and for social services included in special area programs, which is typically dependent on foreign aid, is usually at a level that could not be replicated on a national basis. For example, the Lilongwe Land Development Programme in Malawi, financed by the World Bank and the British government, has entailed a cost per farmer that is too high to permit expansion to cover a substantial fraction of the country's rural population because it has included substantial outlays for road building, intensive land use planning, health clinics, and water schemes in addition to fairly high overhead costs. Third, because of their dependence on substantial recurrent budget allocations and ad hoc administrative arrangements, these projects frequently face a difficult problem in maintaining continuity after completion of an initial phase which depends heavily on external resources. And finally, such a concentration of financial and manpower resources in particular areas raises obvious problems of inter-regional equity. On the other hand, a special project unit such as Ethiopia's Chilalo Agricultural Development Unit (CADU), which received substantial

financial and technical support from Sweden, can serve a useful purpose as a laboratory for devising technical and institutional innovations which provide a basis for designing programs which can later be implemented nationwide, in this case the Minimum Package Program (Lalé, 1975, pp. 185-86; Anthony et al., 1979, p. 241). Moreover, such intensive projects are perhaps the only feasible way in which foreign technical assistance personnel can work closely enough to the "grass roots" to acquire more than a superficial understanding of rural development problems in a less developed country.

There is, of course, the possibility that organizational structures and processes can be created which will be capable of wide extension within a country's rural areas and which can be modified and adapted to meet local variations in the physical, social, and economic environment. The Bicol Program in the Philippines is an example of an attempt to achieve integrated planning for a river basin with considerable integration in the implementation of various subprojects. And its proponents argue that the lessons being learned will contribute to more effective integrated area development programs elsewhere in the Philippines.

The Bicol River Basin Development Program has a budget of \$11.4 million for the period 1977-81, including the USAID contribution of \$3.8 million. The principal features of the Program are: (1) concentration on a limited geographical area, (2) development planning that is to be "integrated,

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<sup>1</sup>Even so it has been argued in the case of the Chilalo project that because of failure to take account of local institutional forces "the majority of the intended target population did not participate and in fact suffered actual loss as a result of the project" (Korten, 1977, p. 6).

cross-sectoral, and interagency in nature," and (3) decentralization "to the greatest extent possible in order to maximize participation from all sectors, especially beneficiaries. . ." (USAID, Philippines, 1976, p. 3). The Bicol river basin appears to have been an appropriate choice for such a project because it is an area where rural incomes are well below the national average but which nonetheless has substantial potential for development.

A good deal of attention has been given to the process of organizing suitable structures for carrying out the Bicol program. It has been described as a "bottom-up" process because there is an initial emphasis on identifying problems and opportunities in specific local areas through baseline surveys and sustained interaction with villagers to get their views on alternative ways of dealing with the problems that are identified. Four advantages are claimed for this approach:

- (1) It improves project designs by anticipating implementation problems and planning for them;
- (2) it allows a more appropriate organization to be specified;
- (3) it develops inter-agency and farm-agency relationships by focusing on specific problems during the planning;
- and (4) it helps establish a direct link with rural villagers which can be maintained during implementation (Honadle, 1977, p. 6).

The stated intention is "to build line agency capabilities" rather than to establish an autonomous Project Management Unit. It is also emphasized that the Bicol River Basin Development Program is made up of separate projects with a designated "lead agency" for each subproject which, it is claimed, minimizes the problems of integration. Moreover, it is argued that the overall program and the activities being organized in a dozen local areas within the Basin by Area Development Teams and Area Development Councils are providing a training opportunity for the participants and also

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a learning experience that should assist in the design and implementation of other integrated area development projects in the Philippines.

Some observers contend, however, that the disadvantages of creating an umbrella organization and special units as under the Bicol program may outweigh the advantages. In particular, the skeptics contend that this type of approach to integrated area development tends to reduce the effectiveness of the provincial administrations and that the regional planning office would have been capable of handling the river basin planning involving two or more provinces.

Although there is continuing controversy about the advantages and disadvantages of setting up special machinery for coordinating and implementing development activities in a particular region or area, there is considerable consensus concerning the need for greater devolution of programming and financial authority to local areas. Krishna (1973) has emphasized the need to move in that direction in India, and Hunter (1978a, p. 15 and *passim*) argues the case in more general terms. It is emphasized that this permits greater variation in program design in order to fit specific local conditions and also facilitates greater involvement of local people in planning and implementation. This often includes an emphasis on creating local organizations as part of a process of strengthening the local capability for problem solving and joint action. As noted shortly, an emphasis on local participation is also a prominent feature of the basic needs approach. It is therefore convenient to defer discussion of the role of local organizations to the general discussion of rural development priorities in Section 3.

In many countries a concern with greater decentralization is leading

to focus on integrated planning for regional and subregional areas. Das Gupta reports on the emphasis that is currently being given to efforts to strengthen district and block level planning in India (Part II, Chapter 3), and efforts are underway in Kenya to strengthen planning capabilities at district level.

Balshaw (1977) has outlined in some detail procedures for an integrated approach to regional planning in Tanzania which, he argues, should be extended to the preparation of "integrated multisectoral programmes" for districts and smaller, relatively homogeneous rural development areas as soon as the required manpower and planning procedures can be made available. The approach that he advocates would combine sectoral and spatial analyses related to four subsystems:

- (1) The production infrastructure subsystem.—Agricultural research, extension, settlement planning, animal disease control programs, rural power, industrial "site and service" schemes, etc.
- (2) The exchange subsystem.—Rural transportation, feeder roads, crop storage, processing and marketing facilities, planning of "rural service centers," supply of production inputs, retail and wholesale marketing, credit and banking facilities, etc.
- (3) The social welfare subsystem.—Domestic water supplies, health facilities, nutritional improvement, family planning, maintenance of law and order, etc.
- (4) Manpower training and employment subsystem.—Demographic data, formal, adult, and informal education, labor force projections, prospective growth of employment and income-earning opportunities, etc.

The very comprehensiveness of the elements that he has identified makes it

clear that simply to plan for the strengthening of such activities represents a formidable undertaking. To attempt to administer such a range of multi-sectoral activities in an integrated way would far exceed the implementation capacities of countries far better endowed with trained and experienced managers than Tanzania.

Lala has also stressed the need to strengthen regional planning and implementation capacity at lower levels. She has, for example, argued that a priority need for technical assistance in African countries is for the training of local administrators and field staff, not for the management of projects. Because of "the substantial shortage of trained manpower and administrative capacity" she is concerned with ways to try to insure that the activities to be undertaken are compatible with available resources of manpower and knowledge as well as funds. Hence she stresses the need for a sequential approach, with an initial emphasis, for example, on improving regional administrative capacity for effective planning and implementation of programs for increasing productivity and output of major food crops. It is also suggested that government action should be concentrated on "those components which are not likely to be undertaken without planned public intervention" (Lala, 1975, p. 191).

The importance of taking an integrated or systems view of the various components of rural development also appears to be important at the national level as well as regional and subregional levels. In fact, it is argued later that a systematic examination of the interrelationships among the major factors that determine the well-being of a country's rural population is a useful guide to the difficult task of determining priorities within a strategy for rural development.

### The Basic Needs Concept

It is easier to trace the origin of the basic needs concept than the concept of IRD because the wide attention now being given to a basic needs approach is related so directly to the 1976 ILO World Employment Conference. However, as Das Gupta emphasizes (Part II, Chapter 1), the current emphasis on basic needs has a number of antecedents, including the emphasis on minimum needs in a 1962 paper by Pintambar Pant, a member of the Indian Planning Commission. (See also Srinivasan, 1977, p. 13.)

The Programme of Action adopted by the World Employment Conference in June 1976 declared that "Strategies and national development plans and policies should include explicitly as a priority objective the promotion of employment and the satisfaction of the basic needs of each country's population." The basic needs concept was then elaborated in these terms:

Basic needs, as understood in the Programme of Action, include two elements. First, they include certain minimum requirements of a family for private consumption: adequate food, shelter and clothing, as well as certain household equipment and furniture. Second, they include essential services provided by and for the community at large, such as safe drinking water, sanitation, public transport and health, educational and cultural facilities.

And it was further stated that "A basic-needs-oriented policy implies the participation of the people in making the decisions which affect them through organisations of their own choice" (ILO, 1977, p. 24).

During the past three years there has been a spate of publications and working papers devoted to the basic needs concept, especially from ILO but also from the World Bank and other international and bilateral agencies and individual scholars. Much of this literature advocates a "basic needs strategy," but there is no evidence of an emerging consensus concerning the policies and programs that would constitute such a strategy.

One of the clearer statements about the concept is an article by Streeten and Burki (1978) which contains a brief discussion of "Features of a Basic Needs Strategy." The fundamental idea is that by "supply management" and by imposing "certain limitations to the unrestricted exercise of consumers' demand in the market," a basic needs strategy can insure that the basic needs of poor families can be met even at very low levels of per capita income. The experience of the People's Republic of China is cited as offering particularly pertinent evidence that such an approach is feasible.

The authors emphasize "that a major restructuring in political and economic power relationships within a society is a prerequisite for a genuine pursuit of a development strategy aimed at basic needs" (Streeten and Burki, 1978, p. 414). It is also emphasized that "poor countries will not be able to satisfy basic needs on their own within a reasonable time span, without substantial assistance from outside" (p. 415). In that connection, Streeten and Burki endorse the view that discussions of how rich and poor countries should concert their efforts to achieve the goal of satisfying the basic needs of low-income households in poor countries should be carried out in the context of a "global compact." This compact would somehow spell out the changes in policies "that must be made" in both poor and rich countries in order to achieve the objectives of a basic needs strategy.<sup>1</sup>

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<sup>1</sup>This is in effect a new approach to specifying "performance criteria." For a brief discussion of the apparently insuperable difficulties that would arise in defining and reaching agreement on such a compact, see Bhagwati (1977, p. 11).

It is not surprising that there are few signs of an emerging consensus in support of policies and programs that would be feasible and effective in implementing a basic needs strategy. To begin with the proponents of such a strategy have not really faced up to the problem of political constraints. As Srinivasan (1977, pp. 25-26) has emphasized, the idea of a basic needs strategy seems to be based "on the almost naive belief that the very same institutional bottlenecks that prevented the benefits of growth from reaching the poor to any significant extent, would somehow be absent if the policy is the provision of basic needs to the poor." The concept of "supply management" seems particularly vague. It is easy to condemn market-determined prices because they are so heavily influenced by the purchasing power of high-income groups, but it does not follow that substituting a system of government-administered prices will improve the situation.

The past record of policy-induced distortions is a dismal one. Nevertheless, because of the shortcomings of market-determined prices from the equity point of view, there are potential advantages in modifying consumer prices by, for example, imposing excise taxes to provide additional government revenue and to reduce the allocation of resources for the production of luxury goods consumed predominantly by the wealthy. A case can also be made for selective price subsidies. For example, limited and temporary subsidies of new farm inputs can be useful, although in practice they have often had adverse effects on income distribution. Subsidies on fertilizer and credit have frequently created an excess demand situation which necessitates administrative rationing, and typically it is the wealthy and powerful rather than the intended beneficiaries who receive the lion's

share. The program of the Small Farmer Development Agency (SFDA) in India that is described in considerable detail by Das Gupta (Part II, Chapter 3) is especially interesting because it appears that this is one instance in which considerable success has been achieved in directing resources to the "weaker sections" of the rural population. India now has a relatively large, well-trained administrative staff which has certainly been an important factor contributing to the rather impressive achievement of the SFDA program in reaching approximately 8 million beneficiaries by 1978. However, as noted shortly, the number of marginal holdings in the country was already 15 million in 1953-54 and that number had increased to approximately 36 million by 1971-72. It is also relevant that in many countries subsidized credit and underpricing of foreign exchange have often contributed to the "premature mechanization" that has frequently restricted the expansion of opportunities for productive employment.

In spite of its shortcomings the fact remains that a price system is a very economical mechanism for transmitting information to guide the decisions of individual producers and consumers, thereby performing a critical function in harmonizing those decentralized decisions. Even in developed countries, the information that could be handled by the alternative communication channels that are available or which could be created without excessive cost are limited (Arrow, 1974, Chapter 4). Decentralized decision-making by individual producers has especially significant advantages in agriculture. As emphasized by Brewster (1950) in a classic article, agricultural production is a biological process characterized by great variability, and the operations to be performed are separated in space and in time. Consequently, the "on-the-spot supervisory decisions" are of great

importance and efforts to centralize management and decision-making lead to inefficiency and a strong tendency to rely on capital-intensive technologies so as to minimize the problems of supervising a large farm work force. The distributional benefits of land reform associated with more equal ownership of this critical asset are obvious. But the size distribution of farm operational units is also of crucial importance because managers of large farm enterprises typically invest in labor displacing equipment. Concentrating increases in output and especially of commercialized sales in a capital-intensive subsector not only restricts the opportunities for productive employment in agriculture but also preempts the demand which could otherwise support the growth of output and employment in rural-based industry. Experience in Japan, Taiwan, and also in the People's Republic of China has demonstrated that broadly based increases in farm productivity and purchasing power can provide a very significant stimulus to the growth of small- and medium-scale workshops producing simple but improved farm implements based on labor-using, capital-saving technologies (Johnston, 1978a, pp. 103-06).

Efforts to move toward government management of the production and distribution of agricultural products also appear to encourage the establishment of state farms or other large operational units. And because of the problems of supervision and of "shirking" and poor performance that arise when workers do not have a direct interest in the outcome of the farm enterprise, this reinforces the tendency to resort to premature mechanization. It is noteworthy that after the initial difficulties that China experienced after launching the rural communes there was a major policy shift. Decision-making was decentralized to the production team of some 30 to 40 families

which became the key farm management unit. This unit seems to have been small enough to minimize the problems of work incentives and poor performance, and increases in output have been based on labor-using, capital-saving technologies. Efforts to create large farm units on the Soviet model, however, seem to have led to problems of inefficiency and premature mechanization. Ghana's experience with state farms in the 1960s is a case in point. The report of a recent ILO employment advisory mission to the Government of Tanzania also expresses concern that a substantial increase in allocation of resources to large, capital-intensive state farms in that country may jeopardize the prospects for successfully implementing a broadly based agricultural strategy capable of raising the productivity and incomes of the "village sector" on which the great bulk of the population depends for its livelihood (ILO, 1978, pp. 77-79).

I have suggested elsewhere (Johnston, 1978a, p. 94) that this emphasis on state farms may have been influenced by concern over insuring adequate food supplies for the country's urban population because of the difficulties that the government marketing agencies have encountered in the purchase and distribution of maize and other products from several million small-scale producers. Lofchie (1978) may well be right, however, in suggesting that in Tanzania that attitude was influenced even more by the 1973-75 crisis in food production. Although weather conditions and the low producer prices maintained by the government were contributing factors, many would agree with Lofchie (1978, p. 452) that "there is compelling reason to believe that the programme of collective villagisation was the major cause of a crisis in agricultural production of calamitous proportions." Some observers place major emphasis on the disrupting effects of poor timing and adminis-

crative ineptitude in carrying out the villagization program whereas others, including Lofchie, place more emphasis on peasant resistance to an unpopular program, resistance which was intensified as the government resorted to coercion from 1971 through 1973. The decision to deemphasize collectivism as a goal of the villagization program and to accept individual farming as a fundamental institution was undoubtedly made with reluctance. According to Lofchie (1978, p. 475), there are indications that now "the country's highest ranking officials are pessimistic about the possibility of improving agricultural production in the villages and are, instead, turning increasingly to large-scale state and private farms to accomplish that purpose." If preferential allocation of capital and other scarce resources to the state farm sector deprives the village sector of the resources and support services that are needed in order to increase farm productivity and output, that pessimistic view is likely to become a self-fulfilling prophecy.

A more general problem is related to the fact that proponents of a basic needs strategy have failed to face up to the trade-offs that are inevitable in allocating scarce resources to schemes such as free or subsidized distribution of food in order to directly raise consumption levels of low-income households. However desirable such schemes may appear to be when considered in isolation, such measures inevitably have a high opportunity cost because the commitment of resources which they require is likely to be at the expense of higher priority activities. This economic constraint is less binding in middle-income countries such as Brazil and Mexico where "a moderate redistribution of current income flows would be adequate to meet the basic needs of the entire population." But in low-income

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countries such as Bangladesh or India "even the most radical redistribution feasible will still leave a large section of the population with deficiencies in their consumption of basic needs. . ." (Srinivasan, 1977, p. 21).

The significance of the trade-off in resource allocation between short-run improvements in consumption and increased saving and investment to augment a country's productive capacity is especially great because of the rapid growth of population which characterizes most of the developing countries--and virtually all of the low-income countries. It is clear, for example, that the persistence of rural poverty in India and the probable increase in the absolute number of households below a poverty line has almost certainly been influenced powerfully by the large increase in the rural population. It appears that between 1953-54 and 1971-72 there was a 66 percent increase in the number of rural households whereas the cultivated area increased only from 305 to 311 million acres. (See Appendix Table I.)<sup>1</sup> As a result the average size of farm holdings declined from 6.3 to 3.3 acres. Even more significant in terms of the prevalence of poverty, the number of marginal holdings of less than 1 acre increased from 15.4 to 35.6 million; and the average size of those marginal holdings declined from .27 to .14 acre. To some extent the increase in the number of marginal holdings and in the degree of landlessness was a result of large landowners evicting their tenants in order to create large, mechanized operational units. However, the increase in the number of farm households and the resulting subdivision of holdings appears to have been the dominant factor.

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<sup>1</sup>The Presidential Address to the Indian Society of Agricultural Economics by Vyas (1979), from which Appendix Table I is taken, also includes an analysis of changes in individual states.

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There was in fact a moderate decrease in the number of "big" landowners (15 to 50 acres) from 4.3 to less than 4.1 million units between 1953-54 and 1971-72; the fraction of the total cultivated area owned by these "big" farmers also declined from 35 to 31 percent of the total. However, for "large" holdings (50 acres and over), there was a sharp decline from 604 to 350 thousand holdings, and the share of land in these "large" holdings dropped from 18 to 8 percent of the total.

The implications of continued rapid growth of a country's population and labor force obviously become more dramatic as the time horizon is extended because of the "awesome power of compound interest." In this time perspective the problems of rural overpopulation and of absorbing a rapidly growing labor force into productive employment appear to be at least as formidable in the countries of tropical Africa as in Asia in spite of the greater potential for expanding the area under cultivation. Moreover, those problems are especially daunting because the rates of natural increase are exceptionally high and the prospects for an early and rapid reduction of population are not good. In Kenya, for example, the current rate of population growth appears to be at least 3.5 percent, compared to 2.1 percent in India, and reducing fertility will be especially difficult because 80 percent of the population is still dependent on agriculture and the traditional attitudes which reinforce the large family norm are strong. Although Kenya was one of the first African countries to adopt a population policy, the efforts to promote family planning have not yet had much impact. The Development Plan for 1979-83 (Kenya, 1979, p. 130) expresses the hope that sufficient progress has been made in building up an infrastructure for providing family planning services to make it possible to begin to

reduce the rate of population growth during the current Plan period. However, because many of those who will be added to the labor force by the year 2000 have already been born or will be born before family planning will begin to have any significant effect, the 118 percent increase in the "potential labor force" between 1978 and 2000 that is projected on the basis of a declining birthrate is only a little less than the 125 percent increase anticipated with a constant birthrate. On the other hand, success in reducing fertility would make the problems of increasing the extent and quality of rural education and of achieving wider coverage in the availability of nutrition and health services to infants and small children considerably more manageable. Thus, the projected increase in the number of children of primary school age would be a comparatively modest 75 percent with a declining birthrate compared to a 141 percent increase between 1978 and the year 2000 with a constant birthrate (Kenya, 1979, p. 63).

Another set of projections for Kenya traces the effects on population and labor force growth until the year 2024 on the basis of six scenarios of possible changes in fertility and mortality that might take place between 1969 and 1999 (Shah and Willakens, 1978). The "most likely estimate" according to their projections is for a nearly sixfold increase in Kenya's population from approximately 11 million in 1969 to 64 million in 2024. The projections are broken down by rural-urban location as well as by age and therefore illustrate some of the implications of the "arithmetic of population growth and structural transformation" which was mentioned in section A. On the basis of rather optimistic assumptions about the growth of nonfarm employment, it is projected that the rural work force would decline from 87 to 65 percent between 1969 and 2024. This change in the

occupational composition of the labor force would be associated with a sixteenfold increase in the active age population in urban areas; but even so the rural work force would increase fourfold (Shah and Willakens, 1978, pp. 29, 38).

Although the notion of a "basic needs strategy" appears to offer little promise, the attention that has been given to the basic needs concept is important and useful.<sup>1</sup> It is argued in the next section that the design of rural development strategies can and should give a much higher priority than in the past to a mix of policies and programs that will be effective in satisfying the basic needs of low-income households. But that goal should not be considered in isolation. The basic thesis is that rural development strategies—and development policies generally—need to be formulated with explicit attention to the achievement of four interrelated objectives: (1) accelerating the growth of agricultural and nonagricultural output; (2) expanding opportunities for productive employment of a rapidly increasing labor force; (3) reducing malnutrition and other especially severe deprivations associated with poverty; and (4) slowing the growth of population.

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<sup>1</sup>Somewhat similar conclusions are reached in two recent AID papers on basic needs (Crosswell, 1978; Leipziger and Lewis, 1977). However, the Leipziger-Lewis paper is considerably closer to the Straetan-Burki paper and its advocacy of a basic needs strategy. E.g., some support is given to the idea of price subsidies on "nutrient-enriched foods" with the objective of increasing the consumption of "merit goods" (Leipziger and Lewis, 1977, p. 16). When nutritionists were emphasizing the "protein gap" view of the world food and nutrition problem, there seemed to be a strong case for lysine-enrichment and similar interventions. The consensus view at present, however, stresses the need for increased food intake (FAO/WHO, 1976, p. 33).

### 3. RURAL DEVELOPMENT PRIORITIES AND THE IRD AND BASIC NEEDS CONCEPTS

It seems abundantly clear that the concepts of integrated rural development and basic needs do not provide panaceas for overcoming the difficult problems of widespread and persistent poverty in the developing countries. Indeed, there can be no panaceas. That seems to be the unanimous conclusion of those who have been seriously concerned with problems of development—and perhaps especially rural development.

The task force responsible for the preparation of the Second Asian Agricultural Survey (ADB, 1978, p. 29) has emphasized that the optimistic view which permeated the (First) Asian Agricultural Survey (ADB, 1969) was based on dubious premises. In particular the view "that the new production technology, centered around the high-yielding varieties of food grains, would be able to neutralize or overcome the effects of inequitable institutional arrangements. . . and would result in broad-based economic growth" have not been borne out by events. Instead increased awareness of "the interrelated issues of persistent poverty and rapid population growth" have led to a "somber assessment" and emphasis on the need to give careful "attention to the interacting effects of technological, institutional and economic variables. . ." (ADB, 1978, pp. 31, 36). Kortzen (1977, p. 42) has put the matter succinctly when he states: "If anything has been learned about development in recent decades it is that there are neither quick nor easy solutions." Lala (1975, p. 189) stresses that, especially "if the emphasis of rural development is to be on mass participation and on the viability of the process of rural development," it is essential "that rural development programs be viewed as part of a continuing, dynamic process. . . ."

Finally, it is significant that A. K. Sen, one of the outstanding economic theorists who has been concerned with development problems, has stressed the importance of giving careful and detailed attention to the technological and institutional dimensions of development:

For developing countries the shift in focus to technological and institutional details is long overdue. . . . The most serious problems lie, not in the grand design, but in what has the superficial appearance of 'details' (Sen, 1975, as quoted in Hunter, 1978a, p. 37).

Useful Implications of the Concepts of Basic Needs and Integrated Rural Development

The concepts of basic needs and integrated rural development nevertheless have important and useful implications with respect to the design of rural development strategies. By emphasizing that certain needs are more "basic" than others, the basic needs concept emphasizes the significance of the distribution and composition of output as well as the rate of growth. Economists have traditionally been reluctant to make interpersonal comparisons of utility. However, when attention is focused on poverty and basic needs, it seems difficult and indeed improper to ignore, for example, the fact that an increase in food consumption among poor families which makes the difference between serious malnutrition and diets that permit normal growth, health, and vigor is much more significant than an equal increase in food consumption in higher income brackets. The latter is, of course, mainly a shift to prefatted and more expensive foods and may in fact have adverse effects on health. The significance of the composition of a country's output of goods and services has been demonstrated most clearly in an analysis by Preston (1978, p. 14) which demonstrates that "unstructured" economic development is generally inefficient in terms of reducing mortality levels as compared to more "structured" development in which a larger

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fraction of national income is directed toward educational expenditure and health, especially preventive health measures.

The emphasis in the basic needs literature on "essential services provided by and for the community at large" (ILO, 1977, p. 24) also underscores the importance of considering the distribution and composition of the goods and services that are made available by the development process. From that perspective it is clear, for example, that the highly inequitable access to health services on the part of a country's rural population, and especially the low-income households which are subject to severe time as well as income constraints in obtaining health care when it is not available locally, is an especially serious aspect of the unequal distribution of goods and services. An analysis of health expenditures in 16 less developed countries indicates that in nine of the countries, between 74 and 86 percent of the budget of the Ministry of Health was concentrated on hospitals and individual curative care (World Bank, 1975, p. 418). It is therefore not surprising that a knowledgeable health specialist with extensive experience in less developed countries suggests that "Typically health coverage reaches only 10 to 15 percent of rural populations" (Taylor, 1977, p. 79). By the same token, a rural health program capable of achieving broad coverage of the population in rural areas by improving access to preventive and promotive health services such as nutrition and health education, immunization against infectious diseases, and improved sanitation, together with a more ample and safer water supply, represents an exceptionally promising means of improving the well-being of the rural population and especially of the poor.

It is also noteworthy that such health services, just as much as education,

have the characteristics of "public goods" which makes it much more economical and often essential for them to be made available as social services rather than in response to private demand. The social gains from a program of immunization, for example, rise dramatically when coverage of the population reaches a certain critical threshold as illustrated by the remarkable success that has been achieved in eliminating smallpox. It is useful analytically to classify these as "consumption-oriented activities" in contrast to the "production-oriented activities" which have their main impact on rural well-being through providing improved opportunities for productive employment and for generating increased incomes. But it is clear that certain consumption-oriented activities—notably education and health—should not be seen as simply competing for scarce resources because they are also highly complementary to production-oriented policies and programs in attaining the multiple objectives of development. Therefore a fundamental challenge in the design of rural development strategies is to determine an "appropriate" balance in the allocation of resources to production- and consumption-oriented activities.

The concept of integrated rural development, as was noted earlier, has also directed attention to the complementarities between production- and consumption-oriented activities. Two other implications of the concept, however, have probably been of greater significance. First of all it has provided a powerful antidote to the past neglect of the rural sector which has been a common consequence of "urban bias" and theories of development narrowly focused on the goal of industrialization. The fact that the allocation of public resources to rural development has been doubled in India's Development Plan for 1978-83 is clearly of great significance; and

that policy shift in India is paralleled in many other developing countries and in the policies of virtually all of the international and national agencies that provide development assistance. However, the concept of basic needs in underscoring the fundamental importance of food intake and nutrition has also made a notable contribution to that shift in development priorities.

Another important consequence of the concept of integrated rural development has been to emphasize the need to take an integrated or systems view of the elements of a rural development strategy at the national level. As stressed in section A, it has also underscored the need for an integrated approach to the formulation of plans for the development of a region, district, and even smaller "development areas." Das Gupta has stressed the importance of "integrated attention" to the various dimensions of rural development by arguing that the design of rural development should be concerned with four components defined in terms of their intended function: (1) structural reorganization, (2) production promotion, (3) income and employment promotion, and (4) human resource promotion (Part II, Chapter 2). He recognizes that there are important interrelationships among those components, but he believes that they represent major functional areas with which policymakers are likely to be concerned. I argue shortly that an alternative approach is likely to provide more useful guidance in determining priorities in the design of strategies for agricultural and rural development.

A final implication concerns the importance of community participation and the creation of various types of local organizations. The emphasis on participation and local organizations is common to both the basic needs concept and to integrated rural development. Although there is a general

consensus with regard to the importance of participation by local groups in the planning and implementation of various rural development activities, there is a great deal of uncertainty as to how that is to be realized.

Many political scientists, management specialists, and others have come to place great stress on the establishment of local institutions with problem-solving capabilities as being of fundamental importance in achieving greater effectiveness in the implementation of rural development programs. This emphasis on the creation and strengthening of a variety of institutions and at different levels from the local to the national is in fact part of a more general problem. Some years ago Brewster (1967, p. 69) gave particular attention to the "organizational component of economic behavior" and to the fundamental importance of

the capacity for concerting reciprocally helpful behaviors into a continually widening network of larger, specialized units of collective action necessary for enabling people to generate and put to use the improved technologies they must have in order to transform their physical and biological world into a place of ever increasing goods and services.

The example he cites to illustrate this general observation is the success achieved in Taiwan in eliminating flies which was accomplished by a network which included medical specialists in a national health association, intermediate actions of specialized nurses and of thousands of practical nurses working with households to explain why it was to their advantage to rid the island of flies and how to do it with a spray gun. However, "the specialized units of collective action" emphasized by Brewster would also include agricultural research institutions, an extension service, schools, and private firms engaged in activities such as producing and distributing fertilizers as well as more local groups such as cooperatives, informal groups of farmers, or a village health committee.

During the past decade this emphasis on "organizing people" has, however, mainly emphasized "relatively autonomous regional and local organizations to solve development problems" of which the township offices, farmers' associations, and irrigation associations of Taiwan would be notable examples (Owens and Shaw, 1972, pp. 19, 30). It is argued that planning and implementation of development activities will benefit enormously from involving farmers and others with knowledge of local agricultural conditions, resources, and needs and from developing the initiative and problem-solving capabilities of local groups.

Korten (1977, p. 10) goes so far as to advance the following "radical proposition":

The most important contribution to social development of a given development project may not be the inputs it delivers to the target population, but rather its contribution toward changing traditional social relationships, equalizing power relationships, and building sustained local organizational capabilities for addressing myriad development needs.

And he goes on to suggest that one of the most important considerations in the choice of alternative programs is to have "local people identify the need around which popular interest can be aroused and effective organization more readily developed."

On the basis of the studies carried out by Uphoff and Esman at Cornell, Lala's analysis of rural development in tropical Africa, and other studies, Korten (1977, p. 24) suggests that: "First, there must be strong semi-autonomous organization at the local level with broadly based popular participation. Second, there must be strong networks of vertical and horizontal linkages which 'make local development more than an enclave phenomenon'." The quoted phrase is from the Cornell study by Uphoff and Esman (1974) that presents considerable evidence which suggests that countries

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which have strong local organizations with horizontal and vertical linkages have been more likely to attain the multiple objectives of rural development. Korten also summarizes a number of features of local organizational structures identified in the Uphoff-Esman study as being significant in determining their effectiveness. These include having a multilevel structure, multiple channels of communication and other vertical linkages, accountability of local leaders to their constituencies, and recognition that political conflict is inevitable and legitimate and mechanisms must be provided for its orderly resolution. However, the difference in interests of certain groups may be so sharp that it is necessary to have separate organizations to represent them adequately.

Of particular interest to the issue of integrated rural development is the emphasis on "multiple functions. Local institutions are more viable and the integration of services more effective if each institution performs several functions" (Korten, 1977, p. 25). He further states that many social development projects are relatively ineffective because they are conceived and implemented within sectorally defined institutions whereas solutions to the real problem requires an intersectoral approach. He emphasizes, however, that the solution "is not to wrap everything into one hapless, too often forgotten village level worker. . . ." Instead he emphasizes the need "to create structures which can plan and inter-relate development efforts within a geographically defined area" (Korten, 1977, p. 29). The conclusion is thus similar to the earlier stress on an integrated approach to area planning, but he adds to it an emphasis on the need to be concerned with issues of organizational design and management training that will facilitate the development of effective organizational

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linkages. He notes, for example, the importance of determining "what mechanisms might be used most effectively by a manager in given circumstances to obtain support from organizations over which he does not have direct control" (Korten, 1977, p. 32). In common with much of the recent literature on administrative aspects of development, Korten stresses the inappropriateness of the concepts and techniques of public administration which have been commonly emphasized in the past, e.g., the emphasis on hierarchy, specialization, separation of policy formulation from implementation, and emphasis on the disciplined performance of routine tasks. He therefore makes a plea for a new subfield of administration which he and his colleagues at the Asian Institute of Management term "development systems management" which would place much greater emphasis on the need to organize local groups, to design organizations capable of adapting to changing local circumstances, and to develop institutional linkages between central and local levels of administration, between sectors, between programs and communities, and between political and bureaucratic systems (Korten, 1977, pp. 4, 36).

Korten's ideas and those which he summarizes are intriguing, and a number of other contributors to the literature in planning and administration have also advanced ideas which appear to offer promise. The book by Michael (1973) on Learning to Plan--and Plan to Learn is an example that is of interest because of its stress on the learning process. Perhaps the generalization that can be advanced with greatest confidence is the need to learn from experience and from the mistakes that are inevitable in an undertaking as complex and fraught with ambiguity and uncertainty as rural development.

Over a period of years Guy Hunter and his colleagues at the Overseas

Development Institute and the University of Reading in the U.K. and collaborators in India, East Africa, and other developing areas have endeavored to acquire a better understanding of the problems that arise in the implementation of agricultural development policies designed to assist small farmers. A major thesis that has been confirmed by this work is the great importance of differences among various farming communities in developing countries related to variations in physical environment and cropping patterns, in the extent to which attitudes of farmers have been modified by modernizing influences, and in the technical, commercial, and political and administrative capacities of these communities. These differences are important because they strongly influence the appropriate choice of institutional arrangement; but in practice such differences and the need to adapt institutions to a particular local situation have often been ignored (Hunter, 1974).

There is, for example, now a considerable body of evidence which suggests that the frequent efforts to introduce cooperatives based on European concepts have often been unsuccessful for a variety of reasons. A common problem is that because of the existing social structure, cooperatives tend to be "captured" by the bigger and richer farmers and merchants and therefore to be operated so as to give preferential treatment to those individuals rather than benefiting the great majority of small and poor farmers (Hunter, 1970, pp. 128-29). Ironically, the subsidy schemes that are justified as being required to assist the poorer farmers typically exacerbate this problem of unequal access. Excess demand for subsidized credit and inputs means that supplies must be administratively rationed which increases greatly the gains from preferential access.

Disappointing experience with cooperatives has led to interest in alternative organizational arrangements because there are at least two important reasons why it is desirable to group farmers for development action.

First, it is convenient for official delivery of services and supervision, and in theory a benefit to farmers, since full services could not be delivered officially direct to every individual. Second, group formation can be a prime method of eliciting dynamic motivation among farmers themselves to take an active and increasing share in the design and management of their own development process (Hunter, 1973b).

He goes on to note, however, that "These two reasons can conflict: excessive emphasis on convenience and supervision may strangle local participation, by imposing a group system on all farmers, many of whom find it useless or unwelcome." A major conclusion is that there should be a flexible approach to the formulation and use of groups and sensitivity to the local conditions that are likely to determine the success or failure of various alternatives (Hunter, 1978a, p. 20 and passim). Hunter suggests that initial efforts should probably be aimed at encouraging the establishment of small, informal groups. Success in that first stage may well lead, for either technical or commercial reasons, to consolidation of those groups into larger and more formal groups. Especially in the early stages, success is likely to depend on a local community reaching agreement on "a major need felt to be sufficiently important to overcome their distrust and inertia." It is suggested in the following section that creation of village health committees in conjunction with a rural health program seems likely to be a "need around which popular interest can be aroused and effective organization most readily developed" (Korten, 1977, pp. 9, 10).

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The Design of Rural Development Strategies  
and the Determinants of Rural Well-Being

In a 1970 "Survey of Research" on "Agriculture and Structural Transformation in Developing Countries," I argued that policymakers in these countries face especially difficult problems of choice because of "the very multitude of options available" in a situation in which shortages of "capital" in all its forms--human skills, technical knowledge, and organizational capacity as well as physical capital--severely limit the range of activities that is feasible (Johnston, 1970, p. 396). These problems of choice are accentuated by the fact that "the new nations are constantly prodded and preached at by competing politico-ideological mentors" (Harari, 1978, p. 178). With reference to rural development, Hunter (1978a, p. 6) has noted with considerable understatement that policymakers in less developed countries "have not lacked for generalized advice. . . The establishment of cooperatives, farmer associations, credit corporations, the use of commercial banks, integrated rural development and much else has been urged from every side."

More generally, the current concern with the goal of reducing poverty by satisfying basic needs in addition to the objective of accelerating growth of output has multiplied the options to be considered and thereby complicated the problems of choice. Furthermore, concern with the effects of development policies and programs on the distribution and composition of a country's output of goods and services as well as the rate of growth means that "political constraints" become even more significant. Migdal (1979, p. 193) puts the matter well when he notes that: "Policymaking takes place within a highly politicized environment. It demands choosing a

particular direction for action when various groups in the society might prefer action in different directions while other groups want no action at all."

The foregoing considerations call attention to some of the limitations of the usual attempts to assist policymakers in reaching decisions about the choice of policies and programs for rural development. Elsewhere I have discussed at length the limitations of benefit-cost analysis and formal models in providing useful guidance in the design of rural development strategies (Johnston, 1977, pp. 385-92; Johnston and Clark, 1979, Chapter 4). It is not that formal analytical techniques such as benefit-cost analysis and linear programming models do not have a useful role to play. It is rather that they need to be supplemented by an analytical framework and other types of reasoning and evidence that can help to determine the critical issues that should find a place on a government's decision-making agenda and provide guidance with respect to fundamental issues such as the "pattern" of agricultural development and the emphasis that should be given to rural health programs.

I have argued on previous occasions for an eclectic approach which emphasizes simultaneous consideration of the objectives of a rural development strategy and of the means (policies and programs) by which those objectives are to be achieved.<sup>1</sup> In particular, it stresses that the choice of objectives and means must both be guided by explicit recognition of certain constraints that can only be gradually eliminated. Within that

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<sup>1</sup>I have been struck with how few serious attempts have been made to define an approach that can assist decision-makers responsible for the design and implementation of rural development strategies. My own attempts are described in Johnston and Kilby (1975, Chapter 4); Johnston (1977, pp. 387-91); and Johnston and Clark (1979, Chapter 4).

analytical framework, the anticipated benefits and costs of alternative strategies and substrategies or components should be assessed in terms of their contributions to attaining the multiple and interrelated objectives of development.

It is also emphasized that this type of analysis needs to be guided by insights and evidence derived from past historical experience. A priori reasoning is of limited value in assessing the quantitative importance of a number of important options. For example, a number of years ago Mellor and I placed great stress on the central importance of agricultural research and on the development and diffusion of divisible innovations as epitomized by high-yielding, fertilizer-responsive crop varieties (Johnston and Mellor, 1961). The emphasis at that time was based on a judgment that the success achieved in Japan and in a number of other temperate-zone countries could be repeated in lower latitude tropical and subtropical areas given a substantial commitment of high-quality resources to the task. The "Green Revolution" has now provided abundant evidence concerning the results that can be obtained from that type of crop improvement strategy under favorable conditions—ample and well-distributed rainfall or controlled irrigation. It has now become equally clear, however, that the research base and availability of technological innovations suited to the needs of small farmers facing the environmental conditions that characterize the greater part of the cultivated area in most developing countries is still grossly inadequate.

Several implications of simultaneously considering objectives, means, and constraints are especially significant. It was stressed earlier that as a minimum developing countries need to be concerned with the following

interrelated objectives: (1) accelerating the expansion of agricultural and nonagricultural output; (2) expanding farm and nonfarm employment opportunities (including improved income-earning opportunities for the self-employed family labor which is such an important part of the total labor force in developing countries); (3) reducing malnutrition, excessive morbidity and mortality, and other especially severe manifestations of poverty; and (4) slowing population growth. In contrast with Das Gupta's treatment of "production promotion" and "income and employment promotion" as separate components in a design of rural development, I believe that it is essential to emphasize that the means by which the increase in agricultural output is achieved will be the principal factor determining the extent to which employment opportunities are expanded in pace with the growth of a country's agricultural population of working age and of the extent to which the mass of the population benefits from gains in productivity and income.

This view that production-oriented policies and programs should be designed with explicit concern with the attainment of multiple objectives is in opposition to the orthodox view based on the compensation principle of modern welfare economics, that is, to argue for "the efficient choice" and then to supplement that decision with "the necessary distributional adjustment through a tax-transfer mechanism" (Musgrave, 1969, p. 304). The orthodox view is well illustrated by a recent paper by Schuh on "Approaches to 'Basic Needs' and to 'Equity' that Distort Incentives in Agriculture" (1978). In his Comment on Schuh's paper, Castle (1978, p. 328) points out that "Schuh's major thesis is that policies to promote the generation of additional income streams should be uncoupled from policies

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to redistribute income or wealth." Schuh asserts that "efforts to increase employment in agriculture rather than to attack the fundamental problems causing low labor absorption in the industrial sector" is "to deal with symptoms rather than fundamental causes." And his general conclusion is that:

policies for alleviating rural poverty must be directed to giving rural workers the skills they need for alternative employment, to promoting more efficient labor markets, and to removing the anti-employment bias of development policy by reducing the factor-price distortions in the economy at large (Schuh, 1978, pp. 321, 322).

There is a good deal that is valid in this conclusion. Certainly the elimination of price distortions that have an antiemployment bias—notably overvalued exchange rates and underpricing of capital—are important in relation to the satisfaction of basic needs and promoting agricultural development as well as other development objectives. And for countries where the process of structural transformation is well advanced, expansion of employment opportunities in industry has a major role to play in alleviating problems of rural poverty. But to suggest that increased "labor absorption in the industrial sector" is the fundamental problem in contemporary less developed countries where some 60 to 80 percent of the labor force is still dependent on agriculture is to ignore the constraints that derive from the structural-demographic characteristics of these countries and "the arithmetic of population growth and structural transformation."

It is in fact these structural-demographic features together with the acute scarcity of resources that are a consequence of the extremely low levels of per capita income which constitute the principal constraints that must guide the design of rural development strategies if they are to be feasible and effective. The most fundamental implication of those constraints

is that serious and explicit attention must be given to both the rate and pattern of agricultural development. This in turn directs attention to the need to give major attention to both the rate and bias of technical change. One of the most significant advances in the field of economics during the past two decades has been to recognize the extent to which increases in output often exceed the rate of increase in the use of conventional resources of labor, land, and capital. Under favorable conditions as illustrated by the agricultural strategies pursued by Japan and Taiwan such increases in "total factor productivity"—i.e., in output per unit of all inputs—have been an extremely impressive feature of the progressive modernization of agricultural economies characterized by small-scale farm units employing labor-using, capital-saving technologies.

Rapid technical progress which reduces the resource requirements for producing a given level of output opens up the possibility of reallocating resources to produce new goods and services in addition to permitting enlarged output of the existing mix of consumer and investment goods being produced. But because of the structural and demographic characteristics of developing countries that were stressed above, technical change in agriculture that has a labor-saving, capital-using bias will make it impossible for the great majority of the farm population to participate in gains in productivity and income. The all-important feature of the patterns of agricultural development exemplified by Japan and Taiwan is that the increased use of purchased inputs was concentrated on divisible innovations such as improved seed-fertilizer combinations. Such innovations and their associated inputs can be used efficiently by small farmers. Rather than displacing labor, these divisible, yield-increasing inputs are complementary to the

resources of farm labor and land already committed to agriculture and which have low opportunity cost because nonfarm demand for those resources is so small. Investments in irrigation and drainage also played a crucial role by permitting increased multiple cropping and therefore fuller utilization of the existing stock of labor in addition to facilitating yield increases for individual crops. Broadly distributed increases in farm output for sale, as well as for home consumption, which are based primarily on labor-intensive technologies generate a steady increase in demand for a widening range of inexpensive items of farm equipment to ease emerging labor bottlenecks and to permit increased precision in carrying out field operations. And the gradual increase in cash income of the average farm household provides the necessary purchasing power for this gradual or progressive modernization of the entire agricultural sector. Moreover, the resulting pattern of demand for consumer goods as well as farm inputs is the basis for the stimulus to growth of relatively labor-intensive, rural-based industries. Hence, broad-based agricultural development contributes significantly to a rate of growth of demand for labor within and outside agriculture that is sufficiently rapid to lead to the tightening of labor markets which is the most reliable means of ensuring an economy-wide increase in returns to labor and in the satisfaction of basic needs.

It may well be both desirable and feasible to supplement the expansion of employment opportunities that is an integral part of the process of agricultural development by special rural work programs such as those that are emphasized in Das Gupta's discussion of "income and employment promotion" (Part II, Chapter 2). If rural work schemes are well designed they can also lead to expansion or improvement of roads, irrigation facilities, and other types of rural infrastructure in addition to providing supplementary

income for landless laborers and other especially disadvantaged segments of a country's rural population. Because of fiscal constraints and the considerable management problems involved in planning and supervising rural works programs to ensure that the benefits accrue mainly to the members of poor households and that the projects represent useful additions to a country's rural infrastructure, it seems doubtful whether such schemes can be of more than marginal importance in providing employment for a rapidly growing labor force. It should be emphasized, however, that where rural works programs are intensified during periods of drought or seasonal slack in the demand for labor, they can provide significant relief from the seasonal crises that often play a major role in the intensification of poverty by compelling poor households to sell off some of their meager stock of livestock and other assets.<sup>1</sup>

It is, of course, because of the acute scarcity of resources in developing countries, and especially in the low-income and lower-middle-income developing countries, that trade-offs between alternative activities must be considered and hard choices made in determining priorities. As noted above, this constraint imposed by the scarcity of resources limits severely the scope for income transfers and underscores the importance of reducing poverty by achieving broader participation in income-generating activities which both expand national output and permit increased levels of consumption on the part of low-income households. More generally, these constraints

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<sup>1</sup>For a brief and persuasive account of the importance of the seasonal dimensions of poverty, see Chambers et al. (1979). An analysis by Jodha of the strategies resorted to by Indian farmers during periods of drought emphasizes that wages from public works projects represent almost the only coping mechanism available that does not impair the physical or human capital of the families affected (Sinswanger et al., 1978).

underscore the need to consider the trade-offs that arise in allocating resources between production- and consumption-oriented activities and to specific activities within those broad categories. For that purpose it is useful to examine the more significant interrelationships among the major components of a country's rural development strategy.

The very simplified portrayal of the determinants of rural well-being in Figure 1 stresses the way in which various production- and consumption-oriented activities separately and jointly impinge upon the well-being of a country's rural population. Well-being is, of course, influenced directly by the impact of the rate and pattern of development and of the availability of social services on the per capita consumption of goods and services by the rural population. These and other causal linkages are shown as solid lines. Improvements in well-being will also depend, as noted earlier, on the distribution and composition of those goods and services as well as the rate of growth in per capita output.

The top of the diagram also directs attention to the fact that the rate and pattern of rural development will determine the employment opportunities, wage incomes, income in kind represented by home production for subsistence consumption, and the net income derived from the sale of farm products. The monetary component of those income flows will be divided between consumption on the one hand and investment outlays and tax payments on the other. The feedback loops (1) and (2) shown by dotted lines emphasize that the level and allocation of these investment funds and tax revenues will affect future production and also the level of revenue available for consumption-oriented programs.

It is to be further noted that the causal linkages associated with

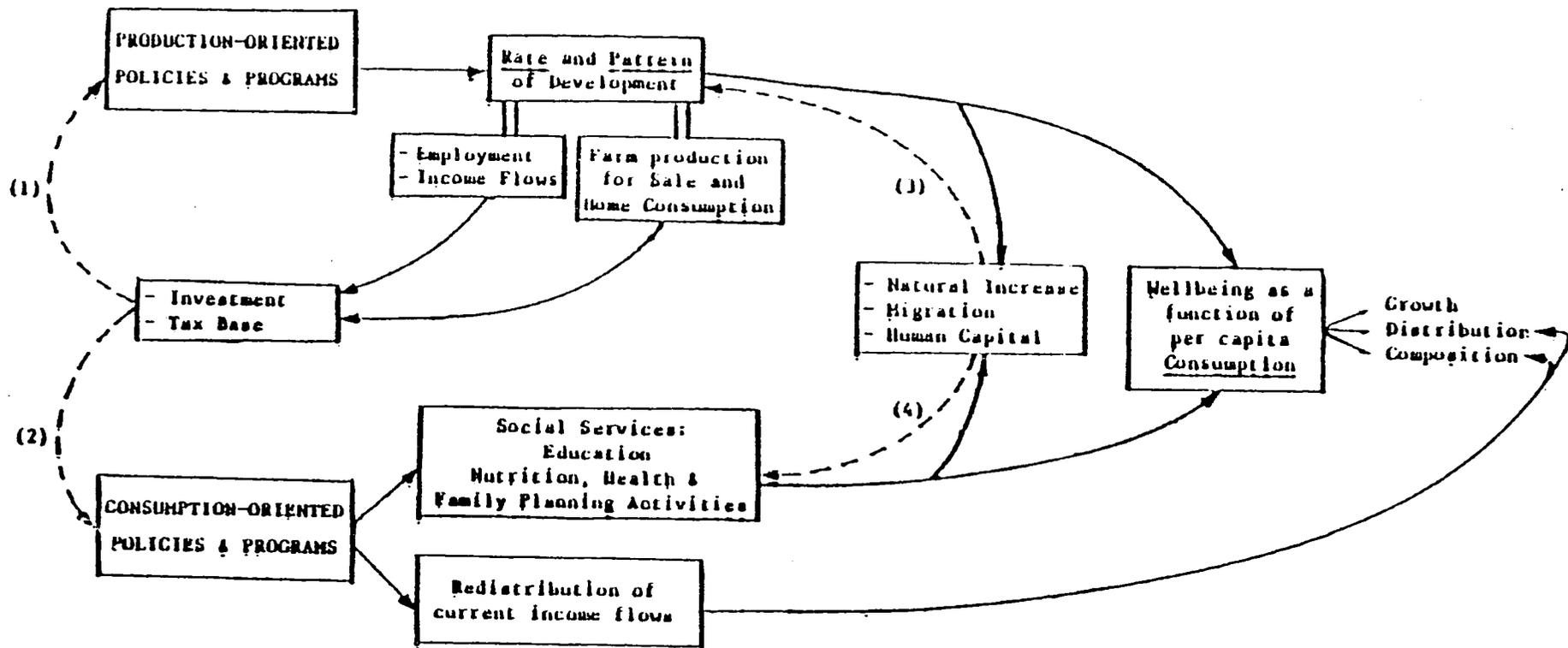


Figure 1.-- A Systems View of the Determinants of Rural Wellbeing.

Note: Solid black lines denote important causal linkages.  
Dotted lines indicate major feedback loops.

the rate and pattern of development are not limited to their effects on the growth, distribution, and composition of per capita consumption. That is, the rate and pattern of development can also be expected to influence the rate of natural increase, rural-urban migration flows, and human capital formation. There is a fair amount of evidence which suggests that broad participation of the rural population in the process of technical, economic, and social change and a relatively equal distribution of income have favorable effects on the acceptance of family planning.<sup>1</sup> The magnitude of rural outmigration is quite sensitive to the rate of natural increase of the rural population, and in addition the spatial pattern of growth of nonfarm activities will be shaped to a considerable extent by whether the pattern of agricultural development encourages the growth of rural-based industries and a dispersed pattern of industrialization or a concentration of industrial and urban growth in one or more very large metropolitan centers. The nutritional status and health of the rural population will obviously be affected significantly by the rate and pattern of agricultural development, and the human capital formation represented by the growth of knowledge, skills, and managerial competence will be influenced by the extent to which broad participation in development provides a variety of opportunities for "learning by doing."

It will be noted that the consumption-oriented activities that figure in the lower portion of the diagram consist of two broad categories--social services, notably education and health, and redistribution of current income flows through measures such as free or subsidized distribution of food.

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<sup>1</sup>Some of the references pertaining to this proposition are cited in Johnston and Meyer (1977, p. 7).

The causal linkages shown reflect the assumption that measures to redistribute current income influence rural well-being only through their effects on the distribution and composition of per capita consumption. However, redistribution of productive assets, for example through a land reform program, would affect the growth of output. But in this framework, land reform is viewed as a production-oriented policy which influences the rate and pattern of development. The causal linkages associated with education and health services reflect the view that social services will affect all three dimensions of well-being and will also have significant effects on the rate of natural increase (and therefore on migration flows) as well as their effects on the quality of human resources. In addition, it is argued later that the linking of nutrition, health, and family planning services can enhance the effectiveness of efforts to slow rapid population growth. Rapid population growth obviously compounds the difficulty of extending the coverage and improving the quality of education and health services of rural areas. For example, in India a quite impressive 61 percent increase in the number of literates in the 10-14 age group increased the literacy rate for that group from 42 to 50 percent between 1961 and 1971. Nevertheless, the absolute number of literates in this age group increased from 28 to 34 million (UNICEF, 1977, pp. 87, 105). The favorable feedback effects of human capital formation on the strengthening of social services applies not only to its effect in expanding the supply of teachers and health professionals and technicians for health programs but also through its effect on those served by social service programs. This is most obvious in the case of improved performance on the part of school children whose physical and cognitive development is not impaired by malnutrition or

excessive morbidity. However, improvements in the education and health of mothers also enhance the results that can be obtained from the preventive and promotive activities that should be emphasized in rural health programs.

It should be noted that except for migration flows, this simplified portrayal ignores the interrelationships between the rural and urban sectors that are such an important feature of the development process. Some and often a significant part of the savings which originate in agriculture are invested in nonfarm enterprises. The taxation levied against the agricultural sector may be greater or less than public funds invested in agriculture and in agricultural infrastructure or made available as agricultural support services or social services for the rural population. The net outflow from agriculture is often found to be quite large if the de facto taxation represented by trade and price policies that turn the terms of trade against agriculture are taken into consideration. It cannot be emphasized too strongly that it is essential to foster the positive interactions between agricultural and industrial development in order to achieve the nationwide increases in productivity and output required for self-sustaining, cumulative growth and the elimination of poverty (Johnston and Kilby, 1975, especially Chapters 2, 3, 7, and 8). Policies that concentrate on improving the well-being of farm households which continue to rely mainly on subsistence production are doomed to fail. That important lesson of history is emphasized just as strongly by China's recent experience of socialist transformation as by the experience of market economies such as Japan and Taiwan.<sup>1</sup>

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<sup>1</sup>For China's experience, see Perkins et al. (1977).

In this discussion of the design of rural development strategies considerable emphasis has been given to the complementary relationships between production-oriented policies and programs and various consumption-oriented activities; but this does not alter the fact that many "high priority" activities compete for scarce resources. Proponents of measures aimed at directly satisfying basic needs through redistributive measures such as food subsidies often argue that the deficit in domestic resources can be made good by foreign aid. This is often coupled with an assertion that the availability of aid could be increased substantially if donor countries could only be assured that the aid provided would mainly benefit the poorer segments of a developing country's population. There is probably some validity in that view. But given the current climate of opinion in the developed countries, including the serious concern with problems of inflation and energy, there is a danger in being overly optimistic about the extent to which foreign economic and technical assistance are likely to be expanded.

Moreover, just as there are trade-offs in the allocation of domestic resources, there are certainly trade-offs between the allocation of aid resources to programs to directly raise consumption levels, for example food aid to support costly food subsidy programs, and programs directed at strengthening a country's own productive capacity and at expanding social services for education and health. The emphasis in the United States on a Basic Human Needs approach to foreign assistance raises particularly important issues because U.S. aid still accounts for a very substantial fraction of total aid even though its share in the Official Development Assistance provided by the O.E.C.D. countries has declined from 58 percent of the total

in 1963 to less than one-third in 1976 (World Bank, 1978, pp. 98-99). There is a danger, for example, that a narrow preoccupation with programs aimed directly at satisfying Basic Human Needs will make it difficult to secure support for major investments in irrigation on the grounds that such projects would not directly benefit the poor. It is not too surprising that some representatives of developing countries have placed a cynical interpretation on the U.S. emphasis on Basic Human Needs as a device to give the appearance of serious humanitarian concern with the plight of poor families in developing countries while providing a convenient rationale for offering only very limited assistance for the more costly projects such as investments in infrastructure and in the long-run process of institution-building that are essential requirements for increasing food production and expanding opportunities for productive employment.

Finally, there is the inherently difficult problem facing individual developing countries and aid-giving agencies because of the multitude of options to be considered. Focusing on the problem of determining an "appropriate" balance between production- and consumption-oriented measures helps to direct attention to some of the critical issues. It does not yield answers to the specific problems developing countries face in determining priorities and in designing rural development strategies. Simultaneous consideration of the objectives of development, the means by which those objectives can be realized, and the constraints which limit the options that are feasible provides some useful guidelines. And I believe that even this brief examination of interrelationships among the major components of a rural development strategy provides additional guidance in assessing the contribution of alternative policies and programs to attaining the multiple objectives

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of development.

The most fundamental conclusion suggested by this approach is that reasonable success in designing and implementing broadly based strategies of agricultural development is not merely important: for most developing countries it is an indispensable condition for success in attaining self-sustaining growth and for reducing poverty. Fortunately, there is a growing acceptance of that view, although many difficult problems remain in translating that intention into reality. Second, there are cogent reasons for giving a high priority to strengthening essential services which enhance rural well-being directly but which also have significant indirect causal linkages and feedback effects in promoting growth and in increasing the per capita availability of essential goods and services. Although some developing countries have been slow to expand and strengthen rural education, there is considerable consensus concerning the importance of education as an essential investment as well as a means of improving the well-being of those who receive education. There is also wide agreement that education, perhaps especially of women, is one of the aspects of socioeconomic change that has a particularly favorable effect on the reduction of fertility.

There is a fair amount of evidence of an emerging consensus concerning the potential contribution of an integrated approach to enabling the rural population to have access to a "composite package" of nutrition, health, and family planning services. The International Conference on Primary Health Care sponsored by WHO and UNICEF which was held at Alma Ata in the Soviet Union in September 1978 strongly endorsed the idea. And the recent decision by the World Bank to establish a Department of Population, Nutrition, and Health is also a favorable omen. Perhaps most important of all was the

decision by the government of India to introduce a Rural Health Scheme and Community Health Worker Program. Although the attempt to achieve nationwide coverage in this integrated approach to providing access to nutrition, health, and family planning services was only initiated in October 1977, considerable progress has been made. Initial evaluations seem to confirm the promise of this initiative while also emphasizing the many difficult problems of implementation that are being encountered. (See, for example, Bose et al., 1978).

In the concluding section of this paper I comment briefly on some critical issues that arise in connection with the efforts to achieve broadly based agricultural development and to design and implement integrated health programs capable of achieving broad coverage of rural areas.

### C. FINAL OBSERVATIONS ON BROAD-BASED AGRICULTURAL DEVELOPMENT AND INTEGRATED RURAL HEALTH PROGRAMS

Each of the topics considered in this concluding section merit book-length treatment. Indeed the greatest need is for detailed analyses of each of these topics in the context of individual developing countries. The present examination of the concepts of integrated rural development and basic needs, however, directs attention to a few salient issues that appear to merit particular emphasis.

#### Broadly Based Agricultural Development

An encouraging development of the past decade has been the substantially increased recognition that a broadly based pattern of agricultural development is both feasible and desirable (World Bank, 1975, 1978; Asian Development Bank, 1978; India, 1978, Chapter 9). This has been reinforced by greater awareness that agricultural development based on the progressive modernization

of small farm units employing labor-using, capital-saving technologies has economic advantages in addition to the social advantages associated with rapid growth of opportunities for productive employment and a more nearly equal distribution of income resulting from reduced underemployment and rising returns to labor both in self-employment and in wage employment. However, small farm operational units are not only characterized by labor-using, capital-saving technologies; they are typically characterized by higher output per hectare as well (Berry and Cline, 1979; Bardhan, 1973; Lau and Totopoulos, 1971; Johnston and Kilby, 1975). The inverse correlation between farm size and output per hectare is particularly well established for Japan and Taiwan, and the apparent exceptions suggested by some Indian farm management data pertaining to the recent period following the introduction of the high-yielding varieties can probably be explained as a disequilibrium situation resulting from preferential access to knowledge and inputs on the part of many of the larger farmers. Moreover, careful analysis of a substantially body of farm management data obtained from all-India surveys led to the conclusion that "the inverse relationship was still significant during the Green Revolution years of 1968-69 to 1970-71, though there is a moderate tendency for this relationship to weaken over time" (Shalla, 1979, p. 134).

Nevertheless, it is essential to recognize that there are a number of difficult problems to be overcome in devising and implementing agricultural strategies capable of ensuring widespread increases in productivity and output among the great majority of small farmers. First of all the requirements for additional investment required to expand food production to match the growth of population and to permit even small increases in per capita

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consumption are enormous. Investment requirements for expanding irrigation facilities are especially large, and the cost per hectare is increasing because the lower cost sites for irrigation schemes have already been developed. During the past decade and a half extremely rapid increases in fertilizer application have made a highly significant contribution to the growth of output in India, Pakistan, and a number of other Asian countries. Fertilizer will continue to be a key source of increased production, but recent projections by economists at IRRI suggest that by 1985 the rate of increase in fertilizer use will be reduced considerably because of the lower yield response at higher levels of application (Herdt et al., 1977). This study of prospects for expansion of Asian rice production reaches the conclusion "that in the absence of technological change, it will be impossible for production to grow fast enough to match population growth even with a level of annual investment twice as high as that of the past decade" (Herdt, et al., 1977, p. 201). This conclusion thus directs attention to the great importance of continuing efforts to strengthen agricultural research and extension and other training and institution-building activities to accelerate technological progress. However, it also emphasizes the importance of slowing the growth of population as soon and as rapidly as possible.

Another major obstacle which has already been discussed is the common tendency to encourage the adoption of inappropriately capital-intensive technologies. This is influenced by the price and trade policies that often lead to underpricing of capital and foreign exchange, by the appeal of "moderniry," and by the skewed size distribution of farm operational units; tractor mechanization tends to be privately profitable for large farmers even though its social costs exceed the benefits to society. Schemes for

providing institutional credit at artificially low interest rates foster a dualistic pattern of agricultural development in several ways in addition to encouraging premature mechanization. Especially in inflationary situations where low and nominal interest rates are negative rates in real terms, this represents a significant income transfer which usually benefits the larger and wealthier farmers who can offer good collateral and have more influence on those who ration the supply of credit under conditions in which the demand is much greater than the supply available at subsidized rates of interest (Gonzales Vega, 1976). For example, such schemes encourage further concentration of land ownership and rising land prices as large landowners seek to enlarge their holdings in order to obtain larger loans and increased benefits from the implicit income transfer which they represent.

There are many reasons why governments have not acted more vigorously to counter these tendencies toward a dualistic or "bimodal" pattern of development in order to promote a "unimodal" pattern of agricultural development involving the progressive modernization of a large and increasing majority of a country's small-scale farm units as epitomized by Japan and Taiwan. A fundamental factor is that there is still insufficient recognition of the extent to which "unimodal" and "bimodal" patterns of agricultural development represent mutually exclusive alternatives.

There is considerable recognition that in countries where agricultural land is scarce there is a trade-off between the two alternatives. If a large fraction of a country's arable land is cultivated by a subsector of large-scale farmers, the average size of the great majority of farm units will be even smaller than is necessitated by the fact that the number of farm households is very large relative to the cultivated area. Thus Wortman

and Cummings (1978, p. 239) note that:

Large-scale mechanized farming--whether by corporations, in the estates of individuals, or on state farms--may increase production, but it usually will not expand employment and raise incomes of large numbers of rural people. It should usually be avoided in densely populated countries.

However, because of the structural and demographic characteristics of virtually all of the low-income and many of the middle-income developing countries, a concentration of resources in a large-scale, relatively capital-intensive subsector that accounts for most of the increase in commercialized production will to a large extent preclude the possibility of successfully pursuing a unimodal strategy even if land is available for expanding the area under cultivation. This is a result of the cash income constraint that limits the purchasing power of the average farm household when some 60 to 80 percent of a country's population is still dependent on agriculture. This consequence of the restricted commercial demand for farm products, relative to the large number of farm units, may be partly offset by an emphasis on producing export crops. But in general that option qualifies but does not eliminate the cash income or purchasing power constraint which means that the average farm unit can only gradually expand its use of purchased inputs. As was noted earlier, the success of Japan and Taiwan in pursuing unimodal agricultural strategies was intimately related to the fact that the inputs purchased by their farmers consisted overwhelmingly of fertilizer and other divisible, yield-increasing inputs, and purchases of labor-saving farm equipment did not become a significant item of farm expenditure until considerable structural transformation had taken place and the absolute size of their farm work force had begun to decline.<sup>1</sup>

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<sup>1</sup>Taiwan's experience in this regard has been particularly well documented by T. H. Lee (1971). See also Johnston and Kilby (1975, p. 318) which summarizes Lee's estimates of farm purchases of current inputs and fixed capital for selected periods between 1911-15 and 1966-69.

Land reform is probably the most difficult issue that arises in the design of unimodal agricultural strategies. Where effective implementation of a redistributive land reform is politically feasible, it has important economic as well as social advantages.<sup>1</sup> Little (1976, p. 103) puts the matter succinctly: "More equal land ownership is twice blessed: not merely can it put more land, and hence investment income, into the hands of the very poor, but it also thereby increases the demand for labor."

It is often asserted that land reform is a precondition for the success of a broadly based strategy of agricultural development. And it is sometimes suggested that the successful pursuit of unimodal strategies in Japan and Taiwan was dependent on the land reform programs that were implemented in those countries following World War II. There seems little doubt that the postwar land reforms in Japan and Taiwan contributed to their success in increasing farm productivity and incomes and in reducing inequalities in income distribution during the past 25 years. It is important to recognize, however, that in both countries a successful unimodal pattern of agricultural development had been underway for some six decades in Japan and three decades or more in Taiwan prior to the second World War. The decisive factor determining the choice of technology is the size distribution of farm operational units, not ownership units. Although the dependence of many

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<sup>1</sup>The present discussion is limited to land reform that leads to a more equal distribution of land ownership. It is often assumed that "tenancy reform" is a perfectly satisfactory substitute for redistributive land reform—and has the advantage of being politically easier. For a summary of the arguments which suggest that attempts to impose ceilings on land rental payments and to prevent eviction of tenants are likely to be counterproductive because of the difficulty of implementing legislation that requires continuing surveillance at the local level, see Johnston and Kilby (1975, pp. 165-66).

farmers in Japan and Taiwan on tenancy arrangements with high rents had a very adverse effect on the distribution of income, it nevertheless was consistent with a unimodal pattern of agricultural development leading to widespread increases in productivity and income. The increase in the residual income of tenants after paying rent to landlords was certainly not "satisfactory," but the growth of productivity and of additional income-earning opportunities such as sericulture and employment in rural-based industries permitted a gradual increase in returns to labor as well as the industrial growth and structural transformation which provided the basis for the remarkably rapid growth of labor incomes and diversified increases in output that have been achieved since the early 1950s.<sup>1</sup>

It is difficult to offer useful generalizations about the land reform issue because the critical questions concern the political feasibility of adopting and implementing a redistributive land reform. The rhetoric of land reform without effective implementation is likely to encourage eviction of tenants and creation of large operational units and thereby harm rather than assist marginal and landless farmers. Past experience in carrying out successful land reform programs in countries with mixed economies is not very encouraging. However, continuing increases in the pressure of population on the land available for cultivation and various

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<sup>1</sup>There are undoubtedly circumstances when land reform is a necessary precondition for achieving broadly based agricultural development. This seems to be most likely to apply to regions where the concentration of land is particularly extreme. It appears that in parts of Latin America owners of enormous haciendas are in such a dominant economic--and often political--position throughout a large area that they are able to exert considerable monopoly power both in renting out land and in hiring labor and thereby perpetuate a stagnant as well as highly inequitable rural economy.

factors may well lead to marked changes in the political climate, especially if the growing numbers of marginal and landless farmers are able to make sufficient headway toward group organization so that they become a significant political constituency. Moreover, some influential groups may accept or even advocate land reform as a necessary concession out of enlightened self-interest. Finally, it is worth emphasizing that even if the land that is made available for redistribution is limited, simply making land available to landless laborers as "house plots" can be significant. Plots large enough to support a kitchen garden and a cow or buffalo with stall feeding can be of considerable nutritional value and also "go a considerable way toward reducing the dependant status of landless laborers" (Bell and Duloy, 1974, p. 122).

An analysis by Gotsch (1974) of "the rural production system" in developing countries emphasizes that land reform is only one of a number of policies and programs that influence the distribution of land and other resources among farm units of various size. He places particular stress on the choice of technology which is influenced by the level and orientation of research, prices of farm products and inputs, access to credit, the rural infrastructure, and other factors in addition to the size distribution of land ownership or farm operational units.

In many developing countries feasible and profitable technologies adapted to the needs of small farmers subject to a severe purchasing power constraint are simply not available. Even in India rainfed agriculture prevails in some 65 percent of the cultivated area, and a considerable fraction of the poorest rural households live in semiarid regions where the lack of productive technologies adapted to the local physical and socio-

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economic environment is especially acute. In sub-Saharan Africa the overwhelming majority of farmers operate under rainfed conditions, and technical as well as cost considerations severely limit the scope for expanding irrigation in most of the countries of tropical Africa. In parts of Kenya, Zambia, Tanzania, and some other African countries high-yielding varieties of maize have made a significant contribution in areas with relatively high and well distributed rainfall. But the potential contribution of improved seed-fertilizer combinations is much more restricted than in the irrigated areas where the Green Revolution has had its principal impact. Moreover, in order to realize the potential for higher yields from better varieties and fertilizers in rainfed areas generally requires equipment and tillage innovations to improve land and water management (Ryan et al., 1979). There seems to be a strong presumption that the need is for simple, inexpensive equipment innovations such as improved animal-drawn plows, harrows, and interrow cultivators.

It appears, however, that an effective methodology to generate and diffuse mechanical and tillage innovations adapted to the needs of small farmers has not yet been developed (Johnston, 1978, 1979). A number of "farm equipment improvement programs" have been undertaken, but with a few exceptions the results have been disappointing. Mounier (1975, p. 224) identifies an important part of the problem when he states that:

Machines to fit into farming systems cannot be designed by farm machinery research engineers working on their own. It requires a team effort of all those concerned with analytical research for the development of all aspects of appropriate farming technologies.

This is clearly a case where there is a need for better "integration" of the efforts of engineers, agronomists, and other agricultural and social

scientists. Furthermore, an important part of the potential benefit of promoting wider use of simple but well-designed implements lies in the stimulus which a growing demand for such equipment can provide to the expansion of rural-based workshops producing such equipment with labor-using, capital-saving technologies which do not make excessive demands for the managerial and technical skills that are in limited supply in economies in which metalworking and other manufacturing activities have been mainly confined to small, modern enclaves. Progress in identifying and promoting farm use of equipment thus needs to be "incagrated" with efforts to stimulate local manufacture of those items by activities such as upgrading technical and managerial skills and improved access to credit.

There are many other essential steps to be taken in order to increase the quality and relevance of agricultural research so that a sequence of technological innovations will be developed that can and will be widely adopted by small farmers. The methodology evolved by the Institute of Agricultural Science and Technology (ICTA: Instituto de Ciencia y Tecnologia Agricolas) is one of a number of promising approaches examined by Wortman and Cummings (1978, Chapter 12). Organizing farmers and increasing the effectiveness of extension activities by closer linkages with research and by techniques such as the "training and visit" system promoted by Banor and the World Bank (Banor and Harrison, 1977) or by group extension techniques (Anthony et al., 1979, pp. 242-244) also offer promise. However, those important issues cannot be pursued here.

This discussion of broad-based rural development has noted a number of instances in which there appears to be a need for closer integration between various activities, e.g., between research and extension and perhaps

between efforts to foster wider farm use of simple but improved implements and promotion of local manufacture of such equipment. The need to complement investments in irrigation and drainage facilities with training activities, the creation of institutional arrangements, and other measures to insure efficient and equitable utilization of water supplies by farmers is another area where integration is of special importance and is in fact receiving considerable attention in programs such as India's Command Area Development Programme and the Bicol Project in the Philippines. However, the concept of integration does not seem to be of central importance except in emphasizing that an integrated or systems view of the multiple objectives of rural development, of the choice of means for achieving those objectives, and of the constraints that limit the options that are feasible underscores the critical importance of pursuing a broad-based strategy of agricultural development. In contrast, it is argued in the following section that a very high priority should be given to the design and implementation of rural health programs in which health, nutrition, and family planning activities are integrated administratively in order to achieve broad coverage of a country's rural population.

#### Integrated Rural Health Programs

There are four principal reasons for emphasizing a "composite package" approach to enabling a country's rural population to have access to health, nutrition, and family planning activities.

(1) Because of the important complementarities among nutrition, health, and family planning, the activities can be mutually reinforcing if they are combined in a single program.

(2) An integrated program is more cost-effective both because of

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savings in costs as compared to single-service programs to deal with the same range of problems and because the complementarities mean that a set of nutrition, health, and family planning activities will be more effective in realizing the interrelated objectives of improving nutritional status and health and slowing population growth.

(3) Prospects for obtaining sufficient political, financial, and administrative support for undertaking a program capable of achieving nationwide coverage are enhanced because of the multiple objectives that are being promoted and the possibility of mobilizing a broader coalition of support groups.

(4) There is a considerably better possibility of enlisting the active participation of local village communities and of creating effective problem-solving organizations because "health and family welfare" represent a "need around which popular interest can be aroused and effective organization . . . readily developed" (Korten, 1977, p. 10).

Just as there are tight linkages between nutrition, health, and family planning activities, the four advantages listed above are also interrelated. There are two complementarities that are especially significant and which therefore are of great importance in increasing the cost effectiveness of an integrated approach. The first of these concerns the two-way interactions between nutritional status and infection which are mainly responsible for the shockingly high mortality and morbidity rates that are so common in developing countries in spite of the considerable reduction in crude death rates that has been achieved. It is the disproportionate importance of the nutritional and health problems of infants and small children and of their mothers, together with the availability of the knowledge and simple and

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inexpensive technologies for sharply reducing mortality and morbidity among these vulnerable groups, which argues for concentrating initially on improving the nutritional status and health of small children and pregnant and lactating women (WHO, 1976; FAO/WHO, 1976, pp. 36-41; Johnston and Clark, 1979, Chapter II).

The second complementarity that is of great significance is related to the so-called "child survival hypothesis," that is, the view that increased confidence on the part of parents that their children will survive to maturity enhances their receptivity to the practice of family planning. This child survival hypothesis has been the subject of a great deal of controversy, largely, I believe, because some of the earlier statements advocating a high priority for programs to improve health and nutrition made extravagant claims about the more or less automatic reduction in fertility that would result from reducing infant and child mortality. The argument in brief was that because the survival prospects of children were not only risky but highly uncertain for an individual family, parents would "overcompensate." The not very surprising conclusion which has emerged from the huge literature on this issue is that reduced child mortality will not "automatically change child-bearing attitudes or levels of fertility" and that the rate of natural increase will rise because "the fertility reduction will be smaller in magnitude than the mortality reduction" (Madigan, 1975, p. 278; Preston, 1975, p. 191). But clearly the relevant issue for today's developing countries is how best to complete the half-completed demographic transition which has given rise to the high rates of natural increase that now prevail. An analytical framework presented by Easterlin (1975, 1977) to provide a synthesis of "the economics and sociology" of

fertility is especially useful in clarifying the relationship between changes in child survival prospects and reductions in fertility. In his framework family size is determined by three sets of variables: (1) demand which he defines as "the number of surviving children parents would want if fertility regulation were costless"; (2) supply which is defined as "the number of surviving children parents would have if they did not deliberately limit fertility"; and (3) the costs of fertility regulation, defined to include subjective or psychic costs as well as objective costs (Easterlin, 1975, p. 55).

Before a country has begun the demographic transition, there is no "problem" of unwanted children; because of the extremely high infant and child mortality "the potential supply" of children is less than the number that is desired. Even in this "premodern" situation, traditional practices such as a taboo on intercourse during lactation will hold the expressed fertility well below the biological maximum, but there is no conscious desire or action to limit fertility. On the contrary, traditional values and attitudes, such as the great importance of child-bearing as a source of status for women, serve to reinforce the prevailing large family norm.

As child-survival prospects improve, however, a threshold is reached when parents become aware of a new situation in which the potential supply exceeds the desired number of children. Reaching that threshold marks the transition from "premodern" to "modern" fertility determination, the latter being characterized by a situation in which it is usual for family size to be determined to a large extent by conscious decisions of individual parents. The emergence of this new "excess supply" situation will naturally be influenced by socioeconomic changes that reduce the desired number of

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children as well as by the increase in potential supply resulting from reduced infant and child mortality. Altered perceptions concerning the economic benefits and costs associated with children resulting from a reduction of child labor as more children spend more time in school is an important example. However, the influence of urbanization, which has historically been such an important factor reducing the demand for children, will be relatively unimportant in most of today's low-income and in many of the middle-income countries because of the structural-demographic characteristics which make it inevitable that the rural population will continue to weigh so heavily in their total population for many decades unless there is a considerable reduction in the rate of natural increase among rural households.

A particularly significant feature of integrated nutrition, health, and family planning programs is that they have the potential for simultaneously achieving a further reduction in infant and child mortality and for promoting more rapid and more general awareness that the prospects for child survival have been improved substantially. In addition, this new perception and the general attitudinal changes associated with improved health and a less fatalistic view can be reinforced by establishing routines within integrated programs whereby family planning information is introduced at strategic "entry points" when parents are likely to be most receptive to the idea of limiting family size.

A family planning program that achieves broad coverage of the rural population can reduce sharply the objective cost of regulating fertility by providing convenient and inexpensive access to reliable methods of contraception. However, experience with integrated rural health programs

seems to confirm a priori expectations that the introduction of family planning as part of a more comprehensive program concerned with family health and welfare tends to increase the credibility of field staff and to strengthen the motivation of both clients and field workers.

Although these potential advantages of an integrated approach to providing nutrition, health, and family planning services appear to be very significant, it must be recognized that securing the necessary support for the adoption and implementation of an effective health program represents an extremely difficult undertaking. It is not necessary to assume a callous disregard for the well-being of the rural population on the part of a country's elite to explain the limited progress to date.

The concept of an integrated approach that emphasizes coverage rather than the quality of health care and which is based on major reliance on village-level health workers and community participation has only recently received wide attention. The 1966 book on Medical Care in Developing Countries by Maurice King and his associates in Uganda appears to have been the first important contribution to the literature in western countries that has emphasized the need to face up to the trade-off between quality and coverage. It appears that in the People's Republic of China effective implementation of the program of "barefoot doctors" dates only from about 1965. It is also reported that even in China this new emphasis required strong personal intervention by Chairman Mao to counter the bias of the medical profession toward giving priority to maintaining standards rather than achieving broad coverage (Maru, 1977).

It is not surprising that in countries with mixed economies the resistance among the medical profession to this new approach to health care,

which is such a sharp departure from the "Western model" emphasized in their medical training, is very strong. It was emphasized that one of the advantages of an integrated approach is that it enhances the prospects of obtaining sufficient political, financial, and administrative support to implement a program capable of achieving broad coverage of a country's rural population. The multiple objectives served by an integrated program offer the possibility of enlisting the support of those who are particularly concerned with the problems of satisfying basic needs such as nutrition and health and also of groups that are especially concerned with the adverse consequences of rapid population growth. But this does not mean that it is an easy matter to mobilize such a support coalition. In addition to the resistance of a considerable part of the medical profession, many nutrition and population specialists are either opposed to such programs or provide only grudging support. Some population specialists, for example, have expressed concern that family planning activities may be "neglected, weakened, or rendered inefficient by too much dilution with other programs. . ."

(Bogue and Tsui, 1979, p. 113). Although the resistance of population and nutrition specialists can be attributed in part to a normal bureaucratic preference for emphasizing one's own particular program, there are more serious reasons for concern about integrated programs. It can certainly be argued that single-service programs are less likely to encounter the "channel overload" problems which may arise when a community health worker is concerned with a range of activities embracing nutrition, health, and family planning.

An especially difficult problem which is evident in the early phases of implementing India's Rural Health Scheme is a tendency for village health

workers and health personnel at higher levels as well to emphasize individual curative care, such as dispensing drugs, rather than the more cost-effective preventive and promotive activities related to nutrition and health education, family hygiene and environmental sanitation, an immunization program, and family planning. There is a great danger that the latter activities will be neglected because they are more difficult and are usually in strong demand among the local population. One of the key problems is clearly to secure a concentration of limited resources on key problems such as the health of infants and small children and on the most cost-effective preventive and promotive activities.<sup>1</sup> Martorell makes a valuable contribution toward identifying priorities in his discussion of Minimum Tasks for Primary Health Care Workers in Part III of this report. It is also noteworthy that the establishment of village health committees can make a significant contribution by enhancing prospects for mobilizing local resources and in making more effective demands on higher administrative levels in order to provide a more ample and safe water supply and to deal with problems of environmental sanitation. Moreover, a focus on the health problems of a community appears to be the most effective means of directing attention at the importance and cost-effectiveness of preventive and promotive measures.

It is essential to recognize that the design and implementation of rural health schemes capable of achieving broad coverage represents a formidable undertaking. Moreover, there is still only limited experience to guide

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<sup>1</sup>This was the first of five priority research topics identified in a report to IIASA (1979) by the participants in an informal meeting on Health Delivery Systems in Developing Countries held at Laxenburg, Austria in July 1979.

such efforts, and the feasibility of such programs in mixed economies has not yet been demonstrated conclusively although there is encouraging evidence from a number of pilot projects and a few national programs (Johnston and Meyer, 1977; Austin et al., 1978, Part 8). There does not appear to be any promising alternative to an integrated approach in order to provide broad access on the part of the rural population to nutrition, health, and family planning services. Some might argue that additional efforts to strengthen nutrition and health services should be deferred to permit more concentrated attention on the problem of slowing the rate of population growth. Population specialists can now point to recent experience in Indonesia and perhaps in Mexico as suggesting that a really vigorous effort to promote family planning with strong political support can reduce fertility rapidly. The fact remains, however, that there are very few instances in which a country has substantially reduced its birthrate without also lowering infant and child mortality to levels well below those that prevail in most of the low- and middle-income countries. In Sri Lanka, the one low-income developing country in which the decline in fertility since 1960 has significantly exceeded the decline in mortality, is the only low-income country where the rural population has reasonably good access to health services and where infant mortality has been reduced to a relatively "acceptable" rate of 45 per thousand compared to an estimated average of 122 per thousand for 34 low-income countries (World Bank, 1978, p. 108; Johnston and Clark, 1979, pp. 30-32). Moreover, given the fundamental importance of improving the nutritional status, health, and physical and mental development of children to the economic as well as the social objectives of development, the case for incurring the relatively small incremental cost

involved in designing and implementing programs capable of attaining those objectives in addition to reducing fertility seems very strong indeed.

The conclusion that I draw, therefore, is that there is an urgent need to maximize the process of learning from the mistakes and successes of both pilot projects and national programs to introduce integrated rural health programs. This represents a substantial undertaking and one for which the currently fashionable research methodologies are ill-suited. Korten (1977, p. 30) asserts that because of "the search for rigor and respectability social science research on development has relied heavily on experimental models." It seems to me that the quest for "rigor and respectability" has placed an even greater premium on surveys designed to generate data sets for the application of the standard techniques of hypothesis testing. He is clearly correct, however, in suggesting that the goal is typically to "provide universal answers to basic questions such as 'what is the most cost-effective design for a rural health delivery system' . . . and that there is typically an effort "to minimize the effects of unique contextual variables, though they may be the critical determinants of the impact of the program and may seriously detract from the generalizability of the findings." He further emphasizes that "Context and management are both crucial variables in determining outcomes and an adequate knowledge building process must give them major attention" (Korten, 1977, pp. 38-39).

What appears to be needed are methods for enlarging our knowledge and understanding by studies of pilot projects and ongoing programs in order to learn what works in given circumstances in order to acquire useful and transferable knowledge. I share the view expressed by Korten (1977, p. 39) that "The prospects for developing this knowledge base through more formal

quantitatively oriented research methodologies are limited. It is too difficult to standardize the data, the variables are too numerous, and the relationships too complex." An emphasis on case studies and comparative analyses which give due attention to questions of organizational structure and process as well as program design in order to develop generalizations that are not only valid but useful to policymakers appears to offer the greatest promise.

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Appendix Table 1.--Estimated Number of Households and Area Owned by Different Size-Groups of Holdings (All-India)<sup>\*a</sup>

Size-group of ownership holdings	Number of households and area owned (in 000)								
	1953-54			1961-62			1971-72		
	No. of house-holds	Area owned (acres)	Average area (acres)	No. of house-holds	Area owned (acres)	Average area (acres)	No. of house-holds	Area owned (acres)	Average area (acres)
Marginal (below 1 acre)	15,360 (31.43)	4,166 (1.36)	0.27	23,579 (36.84)	5,062 (1.59)	0.21	35,640 (43.99)	4,910 (1.58)	0.14
Small (1-4.99)	17,448 (35.71)	45,670 (14.95)	2.62	22,468 (35.11)	58,465 (18.39)	2.60	27,415 (33.84)	71,158 (22.86)	2.60
Medium (5-14.99)	11,145 (22.81)	95,230 (31.18)	8.54	11,002 (20.32)	109,703 (34.52)	8.44	13,564 (16.74)	112,464 (36.13)	8.29
Big (15-49.99)	4,306 (8.81)	106,795 (34.97)	24.80	4,514 (7.05)	109,252 (34.37)	24.20	4,058 (5.01)	96,856 (31.12)	23.87
Large (50 and above)	604 (1.24)	53,580 (17.54)	88.71	437 (0.68)	35,379 (11.13)	80.96	350 (0.43)	25,856 (8.31)	73.87
Total	48,863 (100.00)	305,441 (100.00)	6.25	64,000 (100.00)	317,861 (100.00)	4.97	81,027 (100.00)	311,244 (100.00)	3.84

\* Reproduced from Vyas (1979), p. 4. Based on data from various rounds of the National Sample Survey: NSS No. 36, 8th Round for 1953-54, NSS No. 144, 17th Round for 1961-62, and NSS No. 215, 26th Round for 1971-72, Tables on Land Holdings, Cabinet Secretariat, Government of India.

<sup>a</sup> Figures in parentheses are percentages to the total.

PART II

RURAL DEVELOPMENT, POLICY DESIGN, AND POLICIES IN ACTION

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PART II

RURAL DEVELOPMENT, POLICY DESIGN, AND POLICIES IN ACTION

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Chapter 1

APPROACHES TO RURAL DEVELOPMENT STRATEGIES<sup>†</sup>

Lessons of social, economic, and political history of development have recently converged to impart a new sense of urgency to problems of rural development in poor countries. The persistence of rural poverty and the accompanying miserable level of living for the masses in most of the developing countries have posed serious questions regarding the wisdom of conventional policies and theories of development. If three decades of national development processes have left the largest number of the people in these countries in persistent misery, then the term "national" obviously needs reconsideration. During the initial years of developmental efforts, following the political independence of new nations, convenient equations between the goals of the rich and the poor and those of the leaders and the masses might have some evocative nationalist appeal. But the persistence of unequal outcomes for the advantaged and the disadvantaged segments of these societies has obviously demonstrated that the assumed equation of goals has not been matched by a just treatment of social groups within these regions.<sup>1</sup>

The recent recognition of the persistence of mass poverty in most of the developing countries based on a mixed economy calls for an extensive reexamination of the role of rural development in the general process of national development. In Asia and Africa, the rural segment of the society contains most of the poor people. The rural network also absorbs most people at work in these societies. It is in the rural segment that the problems of hunger, malnutrition, illiteracy, social debility, and human destitution reach a dismal depth. And yet the rural segment contains the

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<sup>†</sup> For References and Footnotes to this chapter, see pp. II-21-II-24.

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largest network of nationally useful labor, output, employment, exchange, and participation which provides these nations with their most important current social resources and the base for the potential improvement of such resources. Given this major share of the rural segment in the national society's life, it is amazing how little it manages to secure in terms of the society's advantages and developmental attention. Is this unequal sharing a product of a historical accident or is it a result of an authoritative social arrangement? If the argument of accident is ruled out, the question remains whether the authorities had intended the results to be this way or the results have diverged from what was actually intended?

#### The Rural Segment

When stated in this form, these questions bring out in a simple manner some of the basic links of a complex process of understanding the problems and prospects of rural priorities within the system of national development. To raise these questions is to investigate the reason for choosing targets of attention specified in terms of human groups in real social settings. Conventional developmental priorities tend to be generally stated and pursued in terms of abstract economic aggregates labeled as sectors, i.e., industrial and agricultural.

The selected economic characteristics used for marking a country in two or more economic sectors may be convenient for some selected theoretical purposes. But when the theoretical focus changes, the same labels may be quite misleading.<sup>2</sup> For example, the stylized aggregation called the agricultural sector may be a useful conceptual device for limited macro-economic exercises for allocation of resources. But the limited information organized by this tailored concept makes it considerably less useful for a

comprehensive understanding of the social network of people engaged in agriculture. The limitation of the conventional sectoral concept pertaining to agriculture will be even more obvious if one tries to use it for understanding the complexities of the rural social structure and rural developmental possibilities because agricultural activities constitute only a part of rural life.

The role of the rural segment of a nation in the process of development thus needs to be carefully examined in a broader framework which helps lay out the place of different segments and their mutual relation in the national setting. The division between rural and urban segments is usually based on certain characteristics of habitat and production that are not identical to the division between agricultural and industrial sectors. In any case, the description of characteristics of segments, sectors, or any other modes of classification employed in developmental analysis fails to indicate the logic of relative influence on the definition of priorities mutually exercised by these segments. More often, the relative importance of these segments are simply assigned by intellectual conjecture or ideological preference. These conjectures and preferences, over the years, have assumed various forms, ranging from a commonly held urban skepticism concerning rural capability stated in simple language, to elaborate statements of grand dichotomies between modernity and tradition or dualism of dynamic and stagnant sectors.<sup>3</sup>

#### The Rural Share

The message that comes across either from the common opinions of the educated urban classes or from the grand theories of sociological or economic dualism is clear: if rural decline is both desirable and inevitable, then

the rural segment obviously deserves a lower share of scarce developmental resources. Rationality, urbanization, civility, productivity, and other imaginable virtues are assumed to be the necessary concomitants of urbanized industrialization. Evidently, then, any concession to commit resources for rural development has to be justified by the transitional service that rural labor and output can provide for the projected path of industrial-urban development. The best transitional service that the rural segment can perform is to generate surplus which can be used either for capitalist or socialist or mixed development, depending on the ideological preferences of the leaders of the national system.

Conventional ideas of development, whether generated by intellectuals or organized political groups, reveal a remarkable consensus regarding the passive role of the rural segment which is depicted as an object of extraction.<sup>4</sup> The general assumption is that this passive role is warranted by history as well as the grand theories of progress or whatever name one chooses to describe future national accomplishment. It is the task of the leading segment of the society to ensure that the lagging segment is organized in such a way that the dynamic agents of development are assured of a proper supply of food, markets, foreign exchange, and cheap labor. Rural development policy, as derived from these conventional ideas, is supposed to ensure that the flow of these contributions is paced according to the needs of the dynamic agents who are supposed to lead the nation's journey towards a brighter future.

The relegation of the rural segment to a secondary status is more than a matter of rational theorizing about relative priorities. The translation of intellectually designed priorities into actual policy action requires an

endorsement of these priorities by the ruling political authorities. How the authorities consider their priorities for allocation of resources, of course, depends on the structure of existing and expected support for their position and action. Political leaders occupying authoritative positions in developing countries cannot neglect the balance of contending groups which can make a difference in the degree of authority they command and eventually hope to expand. The political weight of the rural segment in the national policies of these countries would thus be reflected in the actual definition of priorities between segments.

However, the political weight of the rural areas in a country would normally depend on several factors. The level of rural mobilization, its organizational strength, and the modes of representation sanctioned by the political system are important factors to be considered in this connection. Revolutionary mobilization of peasants for a socialist revolution offers one pattern of access to national authority. Gradualist mobilization of the countryside, irrespective of class differences, offers a different type of access. Historically, few nationalist movements could claim large-scale rural mobilization. It is not surprising that countries with a history of a lower degree of rural mobilization before independence have offered narrower scope for rural representation in the national political system. In countries with a long and relatively wider history of rural mobilization as, for example, in India, rural representation has been formally assured through democratic institutions at the national, state, and local levels. But the weakness of the peasant organizations within the structure of rural politics of these countries has allowed the pursuit of the interests of the growing rural elites through the institutions of representation. Thus,

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representative policies have induced a larger rural access to national authority but this access has failed to turn it to the advantage of the rural masses.

A proper understanding of competing interests in the rural areas and organized representation of such interests call for an examination of the relative power of emerging groups within the rural segment. Competing interests in rural areas are not in any way less important than the rural-urban competition of interests. In addition, the rural competition is more interesting because the vast extension of the rural space, the dispersal of the rural people in widely separated space, the record of long political subjection of the rural masses, and the utter poverty of political and economic resources make it so much harder for organizing the rural poor compared to the urban masses. Equal opening of opportunities for representation in the rural and urban areas cannot by itself remove these social and economic constraints. These constraints specially place the largest number in the rural areas in a situation of political disadvantage compared to what is faced by their more privileged adversaries.

#### Sources of Revision

It is hard to come across a recent statement of appropriate approaches to national development which does not recognize the shortcomings of the first generation approaches. A recognition of how the rural segment of the nation has been bypassed by the national growth processes in developing countries based on mixed economies has become a standard component of the revised convention. During the early seventies, mainly under the initiative of some national experts and the International Labour Office, the diagnostic focus was directed on the failure of these economies to absorb unemployed

labor, particularly in the rural areas.<sup>5</sup> The second wave of diagnosis concurrently offered by the World Bank, the ILO, and academic centers emphasized measures directed to reduction of rural poverty without affecting the growth rate of the national economy.<sup>6</sup> A third wave, encouraged by groups supported by the same organizations called attention to the importance of direct meeting of the basic needs like food, drinking water, health and nutrition services of the least advantaged sections, particularly in rural areas, of poor countries.<sup>7</sup>

Besides these intellectual statements of revision, there was a parallel trend of reexamination among policy planners in many of the countries concerned and also among aid policy planners in rich countries. These concerns were stated in an interesting body of national literature, some of it preceding the international literature. For example, the Indian planning literature explicitly discussing the problem of persistence of poverty despite expected success in achieving growth dates back to the turn of the sixties.<sup>8</sup> Policy discussions in India concerning measures to meet the minimum needs of the least advantaged sections of the rural areas were prominent many years before the basic needs literature happened to bring intellectual and moral respectability to these issues.

However, the issues raised by the two waves of revision were anticipated by the socialist critics of conventional theories and policies within and beyond the borders of many poor countries. Radical theorizing in abstract terms had always challenged the trickle-down and the even-spread assumptions of conventional thinking and practice of development. Forces of socialist opposition to the ruling authorities in many of these countries had presented empirical accounts of persistent poverty among the rural

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masses, as for example, in India during the late fifties.<sup>9</sup> Few intellectuals or policy planners of the international circuit paid any attention to these critical voices at that time. It took a major change in the international political climate following a deceleration of the cold war and a dramatic oil crisis to make the case for the rural poor intellectually and morally persuasive around the middle part of the seventies.

This revision in sensitivity has, of course, led to significant redirection of intellectual and practical energy towards rural development. One important yield of this redirection is, of course, the large crop of studies which try to measure the extent of the relative deprivation of the rural poor compared to the gains of the rural rich and the urban gainers as a whole or divided into relevant groups.<sup>10</sup> Another affect of this redirection can be seen in the large number of studies that discuss new possibilities of restructuring policy for a deliberate reduction of rural poverty and the accompanying general deprivation.<sup>11</sup> Our study is more directly concerned with the new policy perspectives and practices in selected countries.

#### Assumptions and Proposals

Most of the recent proposals on rural renovation for improving the living conditions of the poor are built on certain implied assumptions. These assumptions can be organized into two groups: diagnostic and prescriptive. The major diagnostic assumption is that the political authorities are likely to change their priorities in favor of the rural masses, if they can be persuaded that this would be in the interest of their nation and wider humanity. A related assumption is that this persuasion can be substantially induced by intellectual reasoning and aid from developed

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nations. It is also assumed that the past failures resulted from false consciousness of the authorities, erroneous intellectual beliefs of the experts, and misdirected aid from the rich countries. The prescriptive assumptions imply that the ethical case for allocating priority to the primary needs of the worst-off in a society can be defended by reason. Secondly, right reason will converge with the collective interest of poor nations embarking on a mission of development. Thirdly, if enough expertise endorses a right design, then political authorities are more likely to try it. Finally, a trial in this direction will succeed to the extent that an authority is strong, well-aided if needed, and well-armed with an administrative apparatus that can ensure the proper implementation of the said design.

However, a general agreement on these assumptions does not mean that these proposals share a consensus on what constitutes a right design of rural development. One set of proposals, mainly elaborated by experts who are close to the World Bank, suggests a compelling use for a series of state interventions in the economy directed towards augmenting the income and assets of the rural poor who are to be reached by a sequence of planned designation of beneficiaries.<sup>12</sup> A second set of proposals compassionately argues for an assessment of the basic needs of the poorest groups and advocates elaborate management of supply systems of basic goods and services so that income lag will not lead to a lack of meeting basic needs defined in terms of every member of a poor household.<sup>13</sup> The first set of proposals represent a variation on the earlier employment-oriented suggestions of the ILO missions. Its success depends on a projected effective political authority which is expected to manage the market forces such that the

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assurance of productive participation of the poor will, over time, help them meet their basic needs. The second set of proposals, on the other hand, rests on a conviction that if an effective political authority seriously tries to take care of the "shortfall" in the amount and "characteristics" of the commodities and services required to meet the basic needs of the rural poor then, over the years, the transformed rural masses will become ideal resources for rapid development.

### Policy Issues

The moral sense of urgency which comes through the growing basic needs literature is intensified by its reliance on the empirical studies which indicate increased impoverishment of the poor as development has proceeded in most of the poor countries. Empirical studies of poverty trends marshalled by those who are uncomfortable with the basic needs proposals, however, fail to endorse the claim of a general impoverishing trend, though they admit the persistence of poverty. Despite certain differences in sequencing and targeting, both these types of proposals share a large common area of concern to step up in a major way public investment of economic and administrative resources for rural development. Similarly, their advocates also share a lack of realism which has considerably reduced the practical worth of these prescriptive exercises.

This unrealism becomes most apparent when one tries to translate their prescriptive analysis to real policy settings of specific countries. In each country, the setting of public policy can be roughly divided into several levels of institutional choice and effective action. General proposals for revised roles of rural development, whether styled as "redistribution with growth" or "human need fulfillment," speak to the

problem of choice of objectives and investment targets. The institutional framework of choice of objectives, allocation of resources, and designation of beneficiaries is generally stated in terms of an abstraction called the national planning system. This may be a useful simplifying procedure for the benefit of global analysis. Nevertheless, it avoids precisely those practical problems which lend substance to real life planning. Thus, so much attention is given to ideal planmaking that little energy is left in this literature to investigate the problems of plan-pursuing.

The pursuit of a plan incorporating a revised strategy of development calls for a revision of political authorization. The process of revised authorization cannot be understood without reference to the responsive capacity and commitment of the ruling authority in a specific national context. A positive response to rural development of the type advocated by new proposals is likely to emerge only when the authorities are expected to gain new political resources as a result of a shift from its earlier strategies. Moreover, a shift to a more responsive policy needs to be accompanied by a corresponding capacity to direct the institutional arrangements necessary for translating the new strategy into effective programs of action.<sup>14</sup> But the capacity to respond as well as to direct will depend partly on the structure of support that is mobilized prior to the new move and partly on the support expected to be generated as a result of these new moves.

Assuming that a shift towards rural priority favoring the poor masses is politically possible, the question still remains regarding the practical prospect of reconciling rural claims with urban claims. This question is particularly important because in the poorest developing countries the

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balancing act is likely to be difficult. The urban and upper rural beneficiaries of the plans prior to the shift, are unlikely to be silent witnesses to a loss of their privilege. At the same time, during the transition to increased rural investment, major administrative decisions and organizational moves are supposed to be made precisely by personnel drawn from urban and upper rural strata. Are these people expected to seriously apply themselves to the organization and implementation of the new programs? What are the conditions of ensuring that organized action of interest groups representing these strata will not create insurmountable barriers? These are important questions regarding the political mobilization of appropriate support groups which can determine the fate of a new strategy of rural development.

#### Program Issues

A properly revised design of rural development thus requires a sensitivity to the broader political resources necessary for mobilizing both economic and administrative resources in favor of the rural poor. This sensitivity, in its turn, requires a patient investigation of alignment of groups and interests that enable a political authority to effectively pursue the planned strategies. However, the issue of political capacity also needs to be considered in the context of prudence in programming.

Assuming that the political and economic resources are adequate for initiating a new direction in rural development, it is not self-evident that political regimes will then choose the programs that best serve the national as well as their own political objectives. So long as these regimes continue their administrative institutions without any major overhaul, it is all the more probable that these institutions will favor familiar types of programs for translating new strategies. But it is more than

familiar experience that is involved in strengthening their taste for old-style programs. The very structure of the administrative systems in these countries offers a built-in preference for the old-style programs.

The familiar mode of administrative programming may be simply described as specialized single-head programs where the line of command extends in a simple chain of authorities from the central department downwards to the field of operation. Each development program is considered as an exclusively administered service conducted by a specialized department of, for example, food, agriculture, irrigation, health, education, or population planning. As jealous guardians of particular slices of rural action, each department builds its autonomous capacity regardless of the duplication of resources and jurisdictional rigidity generated by this process.

The compulsion to keep the lines of authority and capacity clear as a result, routinizes into a trained incapacity to integrate the services required in the field where cooperation of services is needed in the interest of efficiency and economy. What looks like a process of administrative modernization incorporating the standard maxims of rationality, impersonality, specialization, and routinization thus ends up being incompatible with the transition to appropriate rural development. How a plan is translated into appropriate programs and how these programs are related to effective projects are questions which call for more integrated treatment than what is normally assumed. Unfortunately, the traditional divisions in the policy apparatus as well as the conventional compartmentalization of academic disciplines stand in the way of considering the mutual linkages between the levels of action subsumed in plans, programs, and projects.

### Integrated Development

Growing interest in integrated rural development has generated a new opportunity to examine the complex relationship among the choice of a strategy, its programmatic designs, the affective conversion of these designs into organizational action, and the systematic assessment of its outcome in terms of its specific contribution to the rural poor and to national development in general. However, the emerging academic literature and the policy declarations concerning integrated rural development do not always clarify the nature of the referent. As a result, discussions on integration frequently fail to distinguish between various extensions of the scope of integration, its coverage of programs and administration, and the degree of integration involved. For example, the desirable scope of integrated rural development has been at times extended to cover the entire rural map, though many would use the same name to narrowly refer to a subset of programs which seek to tie some selected services together in limited rural areas.<sup>15</sup>

Usually, the logic of integration is elaborated in terms of the functional complementarity of services needed for rural development. Those who accord primacy to meeting the basic needs obviously emphasize the integral relation between the essential services and commodities which go to improve the quality of human life and work, i.e., water and food intake, health, nutrition, housing, and family planning. Isolated investment in one of these to the exclusion of others is supposed to reduce the affectiveness and economy of all. Similarly, education and employment opportunities are likely to ensure a further improvement of human resources through their participation in productive work. The advocates of limited antipoverty

measures, however, highlight the case for integrating services which contribute to the provision of income-generating opportunities. Perhaps, the modest statement of integration comes from those who advocate within-sector integration, largely confined to an immediately workable combination of established productive functions, e.g., in agriculture linking together irrigation, credit, seed and fertilizer supplies, and extension services (see Table 1).

Though functional complementarity broadly supports a case for integration, it does not define either the desirable extension of the scope or the preferred degree of integration. The issue of scope is related to the feasibility of combining lines of administered services into one structure of an efficiently manageable program. The issue of the degree of integration is connected with the question of unifying control and authority involved in structuring the management of the program. At the practical level these questions boil down to how many services should a program combine to ensure maximum efficiency and minimum confusion of authority and how the existing agencies and lines of control are to be restructured and supplemented.

Relatively modest programs of integration usually go for a system of existing lines of control leading to a joint offering of services under a coordinating command at the operational level rather than supplanting the existing authorities by a new one. When proposals for integrated rural development settle for this type of loose coordination for specific projects of limited duration, the established structures of administrative authority are less likely to be threatened by these innovative moves. Departments of irrigation and agriculture, to take selected examples from authoritative

Table 1.--Conspectus of Integration: Programs of Rural Development, Prescribed Coverage, and Implied Patterns

Objects of Integration Scope of Integration	Irrigation	Credit	Seed/fertilizer	Extension service	Employment	Education	Food	Health	Nutrition	Population planning	Drinking water	Housing	Patterns of Integration
	1	2	3	4	5	6	7	8	9	10	11	12	
1. Rural segment as a whole	X	X	X	X	X	X	X	X	X	X	X	X	1. Resource coordination by segmental planning
2. Comprehensive basic needs provision for rural poor					X	X	X	X	X	X	X	X	2. Coordinated programming in delimited areas
3. Minimum basic needs for the rural poorest							X	X	X	X	X		3. Program and project level superordination
4. Rural area development	X	X	X	X	X	X							4. Project level coordination
5. Agricultural development													5. a. Project level
a. Partial	X			X									b. Coordination
b. Comprehensive	X	X	X	X				X	X	X			
6. Basic population								X	X	X			6. Project superordination
	1	2	3	4	5	6	7	8	9	10	11	12	
Administrative lines of Control	Irrigation 1		Agriculture 2		Labor 3	Education 4	Food 5	Health 6		Population 7		Welfare 8	

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lines of command that remain functionally and operationally proximate by the very nature of their responsibility, are more likely to be induced to coordinate their work at the local level. They would find this limited adaptation less problematic particularly because it leaves their organizational autonomy, lines of command and responsibility as well as their established relationship with clientele relatively unscathed. On the other hand, the question remains if this limited translation of the term integration does not strain its meaning beyond recognition.

More extensive employment of the concept of integration for rural development is likely to generate its own share of problems. We can set apart the question of its extension to cover the entire rural segment because integration on so vast a scale cannot possibly refer to anything beyond allocative coordination of the flow of resources. At best, then, it can indicate a use for rural planning as a special matter of emphasis within national planning. Ideally, if proper planning implies both intersectoral and intrasectoral planning, then, given the integral unity of the rural segment there can be a compelling case for segmental planning to promote a coordinated development of human and productive components in rural social and economic life. Planning for the rural segment can highlight the internal interdependency not merely between the production-related activities but also the social developmental activities, thus integrating the objectives proposed by the redistribution with growth statements along with those proposed in favor of meeting the basic needs of the poorest. If planning is disaggregated to take into account the unity and urgency of the rural developmental needs as a whole, it may build a more realistic statement of aggregation of rural interests marking them off, though not

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isolating them, from the aggregation of urban interests which generally dominate national planning in agrarian societies.

### Regional Programs

A distinctively different usage of the term integration is addressed to an intermediate extension of the scope of integrated rural development. It also refers to a different level of action and therefore makes a different range of demands on the established administrative resources. If the extreme usages discussed above can be identified as total and intra-sectoral then the intermediate usage may be generally understood as regional modes of integrated rural development. Most of the practical proposals for integrated rural development imply a level of scope, activity, and control which come close to this usage. We will confine most of our attention to this particular usage. The detailed rationale for this choice will be evident as we move along to discuss programs in operation.

At this stage, it will suffice to outline the distinguishing characteristics associated with integrated rural development programs for a particular region. A region here refers to a space of activity carefully delimited by the initial criteria of complexity and complementarity of resources that can be harnessed for more productive human and economic development by a scale of managing coordination which remains sensitive to local needs, capabilities, and possibilities. A rigid specification of the size of such a region is unnecessary because in every area it will be governed by reasonable estimates of a workable congruence among three factors: commonly shared developmental problems, the boundary of effectively authorized administration, and relative density of communication. The recent interest in district-level planning in Kenya, for example, and in block-level planning in India where

the districts may be considered as too large in area and population for integrated attention, indicate how the size of the appropriate space for integrated rural development programs are likely to vary in different settings.

Estimates of the appropriate size of such a region will also depend on the design of a particular program of integration. If the design envisages a relatively narrower coverage of activities, either in terms of range or depth, then the boundary of a region can be larger than in the case of a more comprehensive coverage. However, as the coverage expands, more demands would be made on established administrative lines to integrate their services in order to reduce confusion of responsibility, accountability, and authority. A design of integrated programs thus needs to be matched with the degree of flexibility and organizational adaptation that the structure of administration will allow for.

The practice of integrated programs shows how often ambitious programs without the benefit of appropriate regional scale and administrative resources run into difficulties even when they do not suffer from a lack of economic resources. Only a few years ago, to take a telling example, program or project failures in India were usually blamed on lack of financial resources or lags in administrative implementation. It is interesting that now one hears more complaints about inadequate matching of complementary components of program activities than anything else. Whether an integrated program seeks to combine a smaller or larger set of activities, so long as it requires a complex coordination of economic, administrative, and political resources, it calls for a design that is sensitive to the balance of these resources and how such a balance bears on the execution of relevant activities

in a reasonable sequence of time.

Most studies on integrated rural development have raised interesting questions on the need for integrated programs and their ideal scope. On this score, the literature on revised proposals for development, whether it follows the rural income creation, labor absorption, or need-fulfillment tracks, has established an important case for such programs. The emerging literature also lends stronger support to intermediate range programs than the extreme alternatives we have already discussed. Beyond these ideal preferences, this literature does not cover the ground where practical issues of design and implementation are crucial to the understanding of the conditions of formulating more appropriate designs with a sensitivity to practical prospects of successful working. It is to some of these pressing issues of policy design that we turn in the following chapter before discussing recent experience in selected countries in Chapter 3.

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FOOTNOTES

<sup>1</sup>The difference of referents implied in the use of the terms "nation" and "national" for internal and external audiences has always intrigued observers. The variation in the nature of the community implied in the internal and external uses of these terms is especially worth noting.

<sup>2</sup>Perhaps the term "sector" is the most used and equally abused term in development studies. Economists have used it in their analysis of classification of economic activities in order to highlight certain distinctions. Their cautious use can be distinguished from the indiscriminate use in the general literature addressed to economic development. Analytic economic constructs are then freely transferred to stand for summary social description leading to widespread confusion among scholars and policy planners. For an example of the analytical variety of uses of the term sector, see Gerald M. Meier, Leading Issues in Economic Development, New York: Oxford University Press, 1976, pp. 157 ff.

<sup>3</sup>An excellent critical analysis of urban bias in development theory and practice is presented in Michael Lipton, Why Poor People Stay Poor, Cambridge, Mass.: Harvard University Press, 1977, esp. ch. 2.

<sup>4</sup>Rural labor has always been treated as an extractive resource. From the Greek classics which treated rural labor as a necessary source of social surplus to the modern theories of social change calling for rural surplus for promoting industrialization, a strong line of orthodoxy has developed which is difficult to displace. On this point, the convergence of reasoning from Marx, R. Nurkse, and W. Arthur Lewis cuts across a polar spread of ideologies. However, recent innovations in agricultural production fortunately coinciding with a series of failures of conventional formulas

of industrialization in poor countries have lent weight to challenges to the orthodox argument. Ideas favoring priority to investment for agricultural development are now gaining ground. For examples of discussions of arguments see M. Lipton, op. cit., ch. 4; Y. Hayami and V. W. Ruttan Agricultural Development: An International Perspective, Baltimore: Johns Hopkins, 1971, pp. 302 ff.

<sup>5</sup>The International Labour Office launched its World Employment Program in 1969. Its country reports and general reports on employment and unemployment problems and issues offered a concerted case for a reconsideration of the conventional strategies of development. Its Kenya report titled Employment, Incomes and Equality, Geneva, ILO, 1972, strengthened the case for a joint treatment of the objectives of redistribution and growth. For a general survey of relevant literature see Edgar O. Edwards, ed., Employment in Developing Nations, New York: Columbia University Press, 1974, pp. 1-46.

<sup>6</sup>An influential contribution in this direction would be H. Chenery et al., Redistribution with Growth, New York: Oxford University Press, 1974.

<sup>7</sup>See, for example, the ILO report titled Employment, Growth and Basic Needs, Geneva, 1976, and an important collection of papers on "Poverty and Inequality," in World Development, 6:3, March 1978, special issue, particularly the discussion of basic needs by P. Streaten and S. J. Burki, pp. 411-421. For critiques of these approaches, see Sidney Dell, "Basic Needs or Comprehensive Development: Should the UNDP Have a Development Strategy?" in World Development, 7:3, 1979, pp. 291-308 and T. N. Srinivasan, "Development, Poverty, and Basic Needs: Some Issues," in Food Research Institute Studies, 16:2, 1977, pp. 11-28.

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<sup>8</sup>See "Perspective of Development: 1961-1976, Implications of Planning for a Minimum Level of Living." Paper prepared under the guidance of Pitambar Pant and circulated by the Perspective Planning Division of the Indian Planning Commission. Reprinted in T. N. Srinivasan and P. K. Bardhan, eds., Poverty and Income Distribution in India, Calcutta: Statistical Publishing Society, 1974, pp. 9-38.

<sup>9</sup>The socialist opposition in India was active in publicizing this aspect. The speeches and writings of Ram Manohar Lohia particularly raised these issues in a sharp manner.

<sup>10</sup>For surveys of the findings of these studies see, David Morawetz, Twenty-Five Years of Economic Development, 1950-1975, Washington, D. C.: The World Bank, 1977 and Keith Griffin and Azizur Rahman Khan, "Poverty in the Third World: Ugly Fact and Fancy Models," in World Development, 6:3, March 1978, pp. 295-304.

<sup>11</sup>These studies range from global advocacies to local policy studies and suggestions. Selected examples would be, M. Huq, The Poverty Curtain, New York: Columbia University Press, 1976 and ILO, Poverty and Landlessness in Rural Asia, Geneva: ILO, 1977.

<sup>12</sup>This approach is elaborated in several essays in the Chenery et al. volume cited in footnote 6.

<sup>13</sup>See the Streeten and Burki essay cited in footnote 7.

<sup>14</sup>For an elaboration of the significance of responsiveness and directive-ness of political authorities see H. Eckstein and T. R. Gurr, Patterns of Authority, A Structural Basis for Political Inquiry, New York: Wiley, 1975, pp. 53 ff.

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15. The wide range of variation in meaning assigned to the term can be seen, for example, in V. W. Ruttan, "Integrated Rural Development: A Skeptical Perspective," in International Development Review, 17:4, 1975; Bruce F. Johnston, "Nutrition, Health, and Population in Asian Development Strategies," in Rural Asia, Challenge and Opportunity, Second Asian Agricultural Survey, Supplementary Papers, vol. III, Manila: Asian Development Bank, 1978, pp. 67-74; and Dennis A. Rondinelli, "Administration and Integrated Rural Development Policy: The Politics of Agrarian Reforms in Developing Countries," in World Politics, 31:3, April 1979, pp. 389-416.

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## Chapter 2

### DESIGN, STRATEGY, AND RURAL DEVELOPMENT<sup>7</sup>

Practical issues of design for rural development cannot be separated from the physical and organizational resources that can be deployed in specific national contexts. However, a certain margin of flexibility may be discovered in any resource setting so that the existing and the prospective capacity inherent in the setting may be compatible with the alternative designs for rural development. The question of whether a design is more appropriate than another can be broken down into several parts. One part of the question, of course, would raise the issue of a proper norm informing the design. The second part would be concerned with the choice of components and their internal coherence. The third part would involve a consideration of the organizational capacity and its compatibility with the constructed design. Finally, once all these parts cohere together, there would remain the most important element concerning the usefulness of the design in action for the public envisaged as the intended beneficiaries in the rural areas, if not for the wider national population as a whole.

#### Norm Selection

Designs of rural development, as pursued in the developing countries, generally reflect the strategic choices made for the overall national development by the political authorities. These strategic choices, in turn, make clear the relative attention devoted to rural development compared to the other segments of national development. General statements concerning the place of rural development and the expected financial allocation for the rural segment are usually contained in development plans periodically released by the respective national authorities. However, during the first

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<sup>7</sup>For References and Footnotes to this chapter, see pp. II-49-II-51.

two decades of developmental planning in poor countries with mixed economies, there was little explicit emphasis on specific designs for rural development. If one wants to infer implicit designs by putting together those elements of plans which deal with agriculture, irrigation, health, and social welfare, he will find the exercise rather unrewarding. There were, to be sure, programs for rural investment but rarely, if ever, coherently interconnected measures of rural development of the type which resemble a constructed design.

The ruling norm of rural development during this phase did not extend beyond setting goals for improvement of agricultural production in a manner consistent with an overall strategy for national income growth. Since the basic norm was related to increment in production, policy decisions were concentrated on the public provision of incentives and services for agricultural producers. The major components of agricultural planning were comprised of infrastructural improvements, input subsidization, and price policies. The choice of these components was dictated by the growing importance of food, foreign exchange, rural saving, an extended rural market for new products of industrialization, and cheap labor supply for the industrial sector. There was no explicit recognition of the implication of these chosen components on employment, income distribution, poverty reduction, or on the general improvement of human resources in rural areas. The basic function of the chosen components was to make sure that investment and control systems in rural areas should primarily serve the general design for the growth of the industrial-urban complex which symbolized the preferred pattern of national development.

If the selection of a norm and the components was narrowly directed towards productive pursuits without explicit reference to the integrated

development of the rural areas as such, the choice of policy instruments aptly reflected a keen preference for centralized bureaucratic planning, control, and action. Where political authorities inherited, after independence, an elaborate administrative machinery, they almost tailored the mechanism of agricultural planning, if not its design, according to the conventions of the existing apparatus.<sup>1</sup> Thus agricultural planning, in practice, came to mean setting a number of production targets and then allocating additional financial outlays to facilitate the realization of targets. Since plans by themselves did not authorize expenditure, only the practical steps involved in appropriation and disbursement were more effective indicators of what the design in practice was supposed to mean.

Planmakers were usually experts hired to articulate what the political authorities in power were prepared to pursue as ideals. Plan documents were thus testaments to the ideal designs which could be conveniently altered according to the structure of legislative interests of the ruling coalition of forces and finally tailored according to the expediency of administration. Unfortunately, academic discussions of designs of agricultural development have rarely paused to consider these political and administrative forces which shape the construction and the working of such designs while hastening to debate the economic rationality or efficiency of such designs.<sup>2</sup>

#### Norm Shift

What has happened to the seventies of this century to alter the norms in favor of rural development with a special concern for the rural poor? The intellectual answer reflected in the literature pouring in since the middle of the seventies indicates two possible reasons for moving towards

a new strategy of rural development. One reason, of course, is that the old strategy of national development did not work whenever it neglected rural development. The second reason, closely related to the first, is that the failure of the old strategy posed a danger of increasing challenge from the rural discontented masses expected to be directed to the ruling authorities.

Ruling authorities in the developing countries have stated their reasons for shifting to a rural strategy in a somewhat different manner. They have not denied the points of failure of the past strategies but at the same time they have insisted upon learning from past mistakes rather than admitting that anticipated mass threats to their power have forced them to change the course of development. Whatever may be the real reason of directing major attention to rural development, the more interesting aspect of the new strategy lies in the way the past failures are analyzed and the manner in which the new design is constructed in order to avoid the past failures or mistakes as the case may be.

A review of the official statements advocating new strategies of rural development would indicate that past failures have been usually analyzed in terms of errors in planning. These errors, again, have been divided into several elements: misplaced objectives, misdirected investments, and organizational weaknesses both at administrative and at the general political levels. Planning errors, in their turn, have not been explained, in such statements, simply as technical failures. Rather, the previous authorities in power have been blamed for pursuing inappropriate policies. In short, the political constitution of authority and the consequent misdirection of development objectives and organization have been the major targets of

criticism in the recent official statements concerning national development.

Examples of such critiques are not hard to find. The recent plan document of the Philippines states that previously "development was considered simply as the movement toward economic progress and growth, measured in terms of sustained increases in per capita income and gross national product."<sup>3</sup> The new plan's basic emphasis is on "the improvement in the well-being of the broad masses of our people." The new plan's efforts are supposed to mean "getting down and reaching the poorest segments of [the] population" and "rectifying grave economic and social inequities," so that a social arrangement can be obtained where "individual and collective needs are catered to and recognized."<sup>4</sup>

The new draft plan of India is more emphatic in its critique and suggested alternatives. Thirty years after independence, this plan notes, "the most important objectives of planning have not been achieved," and "the most cherished goals seem to be almost as distant today as when we set out on the road to planned development."<sup>5</sup> Yet, the new plan assures that there is a universal acceptance of these goals by the Indian people—the goals being "the achievement of full employment, the eradication of poverty and the creation of a more equal society." Consequently, the new plan states the case for a major redirection of the course of planning. "What matters," it states, "is not the precise rate of increase in the national product that is achieved in five or ten years, but whether we can ensure within a specified time-frame a measurable increase in the welfare of the millions of the poor."<sup>6</sup>

A time-bound specification of objectives of the redirected plan in India implies a serious public effort to generate employment and to ensure

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an appreciable rise in the standard of living of the poorest segment of the population. Towards this end, the plan advocates an urgent case for provision by the state of some of the basic needs of the poor, like access to clean drinking water, adult literacy, elementary education, health care, rural roads, housing for the landless, and minimum services for the urban slums.

The new Development Plan of Kenya for 1979-83, similarly, begins with the admission that Kenyan "incomes are still very low" and that the majority "are still very poor." The President's introductory note states that the "alleviation of poverty is not only an objective in our development efforts: it is also a major instrument for ensuring that our development is rapid, stable and sustainable."<sup>7</sup> The Kenyan plan recognizes that in spite of the substantial role of the state in creating income-earning opportunities and in promoting the developmental use of these incomes, "these efforts alone will not alleviate poverty in all of its dimensions." Government, the plan reiterates, "must also undertake the direct provision of goods and services."<sup>8</sup> In fact, the plan clearly states that the government "accepts the responsibility for providing these services in ample supply to all Kenyans."<sup>9</sup> The services specified in this regard are education, health care, and water supply.

#### Choice of Components

If we assume that the common concern expressed by the public declarations of these political authorities seriously indicates a major shift in the premise of planning, it is not readily apparent how the new direction in public purpose is going to be realized through the instruments of public policy. Broad strategic shifts raise complex issues of the capacity of the authorities to translate the new direction into realistic designs. The

effectiveness of such designs requires an ordering of priorities in a time-sequenced pattern within the particular setting of resources available to the public authorities.

The sequence of mobilizing and directing different types of resources would necessarily depend on the perceived order of needs and needy groups to be served. In order to decide the components of a proper design, several elements need to be considered. General categorization of clientele to be served leaves open the questions of arranging priorities among the population groups included in the category. Which groups need prior attention? What, among their various needs, needs the most urgent attention? Where in the country should the scarcest resources be invested to take care of the most pressing needs? Once these questions of sequenced priorities are answered in the design, the question of allocation of resources to meet such needs would appear in a more realistic light.

Academic discussions on the choice of components for designs to translate the strategy of meeting basic needs in particular countries, generally focus their primary attention to certain basic lags or "shortfalls," as a prominent part of the literature would have it.<sup>10</sup> These lags are estimated in terms of caloric requirements, access to safe drinking water and reasonable shelter, and minimum standards of health.<sup>11</sup> Once these lags are identified, estimates are made for necessary resources to overcome such lags. The literature on basic needs had energetically proceeded to make global estimates of needs and resources.<sup>12</sup> These exercises are then followed by estimates of what classes of resource-endowed countries are likely to succeed in meeting the basic needs of their poorer population.

A general estimate of the specific "shortfalls" may be useful to the

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public authorities, largely in terms of identification of more urgent areas of social investment and compensatory treatment. By sensitizing the authorities to the relative order of magnitude among the competing and complementary needs of the most deprived population, these general estimates may accomplish the task of pointing implied warnings and stating possible priorities.<sup>13</sup> But such warnings and possibilities are likely to carry different messages to different political authorities. How these authorities would seek to translate these messages into a sequenced agenda for policy action would depend on many factors.

While trying to set forth an agenda for public action, the political authorities are likely to evaluate the political prospect associated with serving a selected segment of their national community. In fact, it raises a politically complex question of visualizing an appropriate constituency that needs priority servicing before serving other competing political constituencies. Does the poorest segment of the rural population strategically qualify for such priority attention from the perspective of the political profitability of the political authorities? Given what scale of scarcity of national resources, which groups demand prior attention from this sense of political calculation? These are some of the basic questions which are not taken into account in the academic literature on basic needs.

The choice of components cannot be separated from the choice of constituencies and the specific range of needs to be selected for attention and action.<sup>14</sup> Is it really the depth of deprivation of a social stratum that automatically gains the attention of the public leadership or public policy authorities? Or is it the range of poverty in a society that impels the social leadership and the political authorities to seek a remedy for

conspicuous poverty? If either the depth or the range of social deprivation can explain why political authorities would choose to attend to the needs of the disadvantaged people, then it would be difficult to explain why pervasive poverty has persisted so long in poor as well as rich countries.

In other words, it is unreasonable to assume that an abstract sense of justice or even a concrete confrontation with mass deprivation is sufficient to move a political authority to act for the redress of poverty. It is also a political fact that the disadvantaged people are generally less organized than the advantaged people and, therefore, their voice or action would be of less consequence to the authorities which weigh relative pressures before they opt for public policy action.

There is, of course, a rule of anticipated action that may explain the contemporary interest of the authorities in serving the basic needs of the poor. This is a rule of prudence which suggests that the authorities anticipate the future reaction possibilities inherent in a situation of mass poverty, particularly as contrasted prosperity grows for a polarized few beneficiaries and, accordingly, try to plan action with a view to contain and preempt prospective desperate moves on the part of the poor. A basic needs policy, in this sense, would turn out to be a part of a pre-emptive strategy unless, or in addition, it may be also associated with a genuine commitment for justice.

Three possibilities can be cited as possible incentives for the political authorities to favor and initiate a policy of basic needs and depending on which one predominates, the nature of the package and its working are likely to vary. We can summarize the first as a case of preventative prudence. The second can be described as an ethical commitment arising out

of a sense of identification with the welfare of the national community. Both of these have one thing in common. Political authorities, in these cases, assume their responsibilities without being compelled to do so by a representational mandate. At its best, it still remains an assumed mandate. The third possibility is, of course, that an organized voice of the poorest part of the population can find representation through a leadership of its choice. This would be a case of a compelling mandate by popular participation. Whether this participation follows a parliamentary or organized revolutionary form is, however, a different question.

The disjunction between an assumed and a delegated mandate is important because it leads us to appreciate the nature of commitment of the leadership and its relation to the relevant constituency. If the political authority in a specific setting reveals a commitment to act for the poor without any organizational accountability to the poor, it will be a case of a normative responsiveness rather than one of institutionalized responsibility. The absence of a continuous pressure from organized constituencies is likely to reduce the range, seriousness, and level of urgency of commitment compared to what one might expect in the case of a commitment accompanied by an institutional system of responsibility and accountability.

#### Modes of Authority and Choice of Components

If a political authority, lacking organized mass accountability, assumes the responsibility of reducing rural poverty from above, it is more likely to rely heavily on the administrative, rather than the political, apparatus for designing the priorities for the agenda of rural development policy. This way of relying on the administration would put a premium on the centralized bureaucracy assessing the competing priorities and allocating

resources according to its own sense of responsibility and accountability. It is reasonable to assume that the bureaucracy and its laterally recruited intellectual advisers would remain primarily accountable to the political leadership and sensitive to its needs rather than the needs of the politically unorganized rural population. This does not necessarily imply that there may not be a range of compatibility between the political needs of the dominant leadership and the masses. However, it indicates the political priorities that are likely to affect the developmental priorities in case public policy encounters a situation where serving the needs of the poor as expressed by the poor, may go against the interest of the authority in power.

In this type of political setting, a design of rural development can be expected to be informed by a mobilizing purpose. Political leaders, working with the administrative leaders, would seek to expand their range of support among the rural population who were not politicized before. Seeking support would entail a selective approach. Since gaining support is contingent on offering public subsidy and service to the rural poor, it is unlikely that the public resources would permit the authorities to distribute their attention to a large audience.

What criteria of selectivity are likely to be used for the deployment of scarce public resources? In general, it is fair to assume that more attention will be given to those programs of poverty reduction which will not seriously upset the rural balance of social power. This way, the mobilization of the rural poor will not alienate the rural notables in wealth and power. This is especially important for the existing authorities because keeping the rural notables on their side is more economical from

their short-term political perspective than sacrificing them in the hope of gaining mass support. Secondly, attention is likely to be concentrated on those channels of rural investment where marginal support from public resources will augment lines of production that have already shown some promise. Thirdly, relatively more attention is expected to be directed to those geographic regions and locations which have a greater likelihood of generating political support per unit of economic and administrative investment than other areas. Finally, in ethnically<sup>15</sup> divided countries, political authorities would find it more profitable to invest proportionately more for preferred ethnic communities than the ones that are not assessed to be of immediate worth in terms of expected political support.

If, on the other hand, a political authority derives its authorization to act from a representative electoral system where the rural vote outnumbers the urban vote and where an institutional accountability is included in the norm of parliamentary democracy, the emerging design of rural development is likely to reveal a different pattern. The rural vote offers an opportunity for a rural voice which can be legislatively registered in the cause of the formulation of relevant public policy. Political leaders would not have to depend exclusively on a centralized bureaucracy. The administration as a pressure system would have to contend with competing political pressures in the wider political arena, both during policy initiation and implementation. The ruling political group and the opposition groups are likely to have nationwide networks of popular organizations which can serve as links between local expressions of need, voluntary contributions of resources, and the administration of public resources.

The selection of components to be included in the design of rural

development would gradually reflect the growing political voice of the rural electorate. Expanding representation would bring in its trail a gradual ascendance of the poorer rural population in particular. It would get gradually harder for the elected leaders to refuse to respond to their basic needs. While selecting the direction of deployment of resources for rural development, the poorer strata of the rural population cannot be ignored for long, though in the initial stages of rural representation the more articulate and the relatively better-off sections are likely to gain more than the worse-off sections. Secondly, the logic of recruitment of support in the structure of competitive politics would require that public investment for augmenting production be sooner or later accompanied by investment for human improvement of the rural poor. Thirdly, the relatively better-off regions would attract proportionately higher resources, but the advantage of number of the worse-off regions need not be underestimated under a representative political system. Finally, the ethnic factor in political selectivity will depend on the relative strength of the dominant ethnic groups and how they are arrayed against or aligned with other groups in the complex coalition represented by the ruling authority.

Our basic purpose in contrasting different modes of authorization and their impact on election of components for designs of rural development is to call attention to the range of possibilities within gradualist regimes which can be expected in different political settings. Most of the academic studies of rural development ignore the issues of political authorization and the expected role of the rural population. These studies simply assume that the basic problem is one of managing and dispensing authority. This is basically an administrative view of politics which ignores the important

political processes of inducting public support and harnessing popular energy which may be of critical importance for ensuring the success of rural development. It is precisely this administrative orientation of the developmental literature which tends to lay most of the blame on implementational factors whenever action at the rural development project level falls short of academic expectations.

We had deliberately suggested a polar differentiation of patterns of political authorization in order to indicate how it affects the choice of components for rural development designs. In actual practice gradualist regimes can be plotted on a continuum of such a polar range. In the course of following a strategy of rural development, various regimes have adopted rural employment programs as a major component in this new design.

Contemporary surveys of works programs—a project level translation of wider employment programs—indicate how similarity of labels conceals a wide variation in content across different national political settings.

For example, one comparative experience of rural works programs under a military-executive authorization and a civil-legislative authorization in South Asia, may indicate the possible variations. Reports on (West) Pakistan's rural works programs in the sixties and early seventies suggest that public works allocations were guided more by the criterion of political loyalty to the military-executive leadership than by the criterion of performance or need. As a result, the flow of benefits generally favored the larger landowners, rural contractors, and traders.<sup>16</sup> The rural works programs in Maharashtra, India, under the civil-legislative authorization designed to guarantee employment, in the early seventies, has followed a different course. One recent study suggests that the basic strength of the

Maharashtra Employment Guarantee Scheme lies in what it calls "a political commitment to a strategy of rural development with a focus on rural employment and rural asset creation designed to alleviate poverty."<sup>17</sup> Though this public effort to generate employment is on a massive scale, it is interesting to note that it has been legislatively authorized by a representative assembly. The statutory basis of the Maharashtra Scheme offers a contractual recognition of the poor rural people's right to work. The actual design of the project minimizes the role of the contractors and brokers and places a direct responsibility on the relevant administrative department for the conduct of the project level work. It is not surprising that the rural poor have in fact received proportionately greater benefit per unit of expenditure on projects located in India than what has been possible in the case of the other kind of political authorization as illustrated by the Pakistan projects discussed in these comparative studies. Without going into details, at this stage we can mention one simple indicator of benefit per unit of expenditure on such projects. The estimated wage component of the Maharashtra Scheme has been above 80 percent of its incurred expenditure during the years 1974-79, while the relevant figure for the (West) Pakistan Rural Works Program during 1963-72 has been of the order of 30 percent.<sup>18</sup> A wider access to benefits of rural works programs, in terms of immediate employment and income for the rural poor, appears to be more likely where the political expression of the voice of the poor is institutionally encouraged and where, in addition, political organizations seeking support from the rural masses are authorized to oversee and supplement the operation of the administrative system.

Coherence of Components

Regime and authority patterns indicate certain possibilities of choice of components and the linkages between public action and popular support. These patterns, however, would not indicate how the selected components are to be composed into coherent programs. The problem of coherence of components can be considered at two levels. The first refers to the question of internal consistency among the chosen components and the prospective degree of integration of public effort that can be accomplished in the field of operation. The second raises the question of compatibility of the chosen components with the resources, physical and human, that can be reasonably expected to be mobilized in the respective country.

Let us analyze the compatibility question first. Any regime in poor countries has to squarely face the problem of limited internal resources and the limited possibility of drawing on external resources. For a proper accounting of the resources relevant to rural development, it would be necessary to consider the physical as well as human resources. It is customary to divide poor countries into medium- and low-income countries on the basis of traditional national income criteria. Since these criteria have no use for noneconomic resources like social and political organizational accomplishments, most efforts to estimate resource capability are likely to be addressed to physical and conventional administrative resources. It is not surprising that so many studies and reports have taken for granted that the medium-income poor countries offer a better prospect for rural poverty reduction and appropriate development. It is obvious that regimes working in an economy with higher income will have (i) a better base to build productive programs and that (ii) such regimes will also have a higher

margin of resources which can be allocated to welfare-oriented programs compared to directly production-oriented programs. What is not so obvious is that in the absence of appropriate political pressures and relevant organizations, a better margin of physical resources may not be sufficient either to induce the authorities in the regime to concentrate on rural poverty reduction or to devise appropriate policies. Within India, to take an example from interstate comparison, the record of Kerala or Karnataka with respect to land reform and policies favoring the rural poor has been made possible not because these states possess higher physical resources compared to other states but rather because the process of political inducement has been different. Between countries, the difference of record regarding the flow of benefits to the rural poor for countries like Sri Lanka and the Philippines needs similar appreciation of the difference in political resources accompanying the investment of economic and physical resources. Similarly, the importance of political resources would be apparent if one wants to understand the difference in the choice of components for designs of rural development between Guinea-Bissau and Gabon, the first with a per capita gross national product in 1975 of the order of \$120 and the second of \$2,540.<sup>19</sup>

The issue of compatibility of designs with resources calls for a joint consideration of economic and political dimensions. What looks like an economic possibility may be negated by political unwillingness or incapability. On the other hand, working under similar constraints, political propensities supported by proper organizational capability can lead to a more effective deployment of economic resources. Therefore, unless a combined assessment of economic and political resources can be made, it will

be extremely unreasonable to forecast realistic possibilities associated with particular designs in specific countries. This is why global estimates of poverty reduction possibilities based on convenient collections of macro-economic data are of little help to policy planning and public action in actual practice.

The components of designs for rural development can be classified in many ways. One way of classifying them is to divide them in terms of intended function. The function of structural reorganization of the agrarian system requires the use of several policy moves. It involves intervention in the rural property system and reorganization of the productive system. This is integrally related to the functions of production promotion, income and employment promotion, and human resource promotion. Promoting production involves, among other things, improving the conditions of production related to the infrastructure, input-structure, and the price-system. A simultaneous policy attention is needed to generate adequate employment and income levels consistent with the case for poverty reduction and meeting basic human needs. The latter concerns also dictate that from the perspective of timing, human resource promotion needs to be viewed as the most pressing component in the entire design for rural development. This would involve policies to ensure access to basic provisions like food, health care, nutrition, shelter, education, and facilities for population planning—for those who need them most.

Components designed to serve these four functions undoubtedly add up to a tall order. The efficacy of each component is linked with those of the others. This is why the question of the consistency of the components is important. The existing food supply has to be arranged in a manner such

that the poorest rural workers can have reasonable access to it in order to produce more. But they can be productive only when the conditions of production favor their participation in augmenting output. To make these conditions really conducive to their productive participation, the agrarian relations cannot be allowed to stand in the way. What looks like augmenting their consumption of provisions like food, health care, and nutrition would actually augment the nation's production and welfare, provided all the components are tied together in a designed order of coherence.

To say that the compatibility and consistency of components offer the basic conditions of success of a design for rural development oriented to poverty reduction is, of course, to state the need for an appropriate planning of policy action. This would involve something distinctly different from what goes by the name of planning in the literature and history of recent development in poor countries. As we have discussed before, the conventional patterns of planning in mixed economies are generally limited to the consideration of the economic coherence of public financial allocation among sectors. But our discussion of planning of policy action refers to the problem of coherence between allocating and management activities in the sphere of policymaking and policy-action—with respect to new strategies of rural development. In part, the recent attraction for integrated rural development reflects a recognition of the need for coherence among components in terms of financial allocation, organizational planning, and practical action in specified schedules of time. However, as we have discussed before, the recognition of the case for integration simply opens the question of its proper form and content. The term itself offers little useful information on policy planning.

Design and Action

A coherent design for rural development naturally imposes a considerably higher burden on national authorities than conventional agricultural planning, which usually calls for public investment for improving agricultural production, marketing, and distribution. The concentration on one component, e.g., promotion of agricultural production, simplifies the agenda of policy planning under conventional development planning. By contrast, when a design for rural development involves simultaneous attention to four components and their mutual linkages in theory and practice, it puts the authorities to a severe test.

Political authorities at the helm of new nations based on poor economies naturally reflect the limitations which they cannot wish away. It is rarely recognized how fragile the political regimes of the new nations are. Working on a fragile base, they have to gradually strengthen the organizational capacity of the system in order to command adequate political and economic resources for the massive task known as rural development. Scholars, or even external donors, can easily suggest the virtues of structural transformation without worrying about who can do it at what cost. Political authorities in poor countries do not have the luxury of ignoring the constraints which arise from the nature of the situation encountered by them. They realize that policies are moves made from a given base point in the history of a nation. How well the move can be made would obviously depend on what political and economic resources have accumulated at that historical moment and how a particular policy weighs in the context of competing demands for alternative uses of the same resources.

A comparison of the agenda of rural policy planning followed by gradualist

regimes in new nations would show how the political development of the policy system affects the pattern of rural development. Whenever political authorities, relying solely on the legislative and the executive arms of government, have attempted to initiate structural reorganization of the agrarian property system, the results have been disappointing. The low efficacy of the inherited system of policy action has been evident in the repeated failures of land reform programs. Authorities have frequently discovered their inability to control the locally entrenched landed power groups. However, in cases where the authorities have deliberately reached for peasant support and where encouragement has been offered for developing the organization of the rural poor and for linking them with the national organizational system, land reform has delivered more encouraging results. Even within a single country like India, most of the states have relied on the conventional system of policy action with discouraging results. At the same time a few states like Kerala and Karnataka have supplemented the conventional system with networks of organization incorporating large sections of the rural poor and the outcome has been significantly different.

If the structural component of a design for rural development requires a different organizational strategy and scale of popular incorporation for its success, the agricultural production and promotion component appears to be rather less demanding. It is not surprising that this component has proved to be more attractive to the ruling authorities in poor countries, international donor authorities, and a wide corpus of scholarship. However, in a coherent design, the production component cannot be completely isolated from the components related to structural reorganization, income and employment promotion, and human resource promotion. It is the requirement of

consistency among these components which raises the question of the capacity of a policy system to pursue them together.

The case for an integrated treatment of these components becomes more compelling when policy planners seek to implement public programs for employment and income generation and to make provisions for meeting the basic needs. Unlike the policy area pertaining to agricultural production which tests the allocative and regulatory capacity of the policy system, these components demand much more. The policy areas relevant to these components require concrete identification of groups and areas of beneficiaries who are to be served in a specific sequence. As in the case of the structural component, these require different kinds of organizational resources congruent with distributive and transfer functions. These resources are not easy to generate by simply expanding the conventional action arms of the conventional policy system. A more economical way of adapting the organizational system to the functions of distribution, transfer, and supply-management would be to recognize the value of decentralization and the need for planned use of popular organization. This would involve a qualitative innovation in the organizational structure relying mostly on locally generated resources derived from popular participation. Such a qualitative innovation would call for a decentralization of policy planning. It is not surprising that in a country like India, where national level planning and democratic decentralization have accumulated several decades of partial experience, there has been a growing recognition of planning with local initiative and sensitivity through district and block-level planning.<sup>20</sup>

Unfortunately, the traditions of developmental practice and development

studies have relegated the organizational problems of policy action pertaining to strategies of rural development to a secondary status. This is understandable, given the preoccupation of most of the rulers, donors, and scholars with the problems of capital, investment, technology, and output. So often, the call for a right strategy of development has implied that the organizational factor can be considered outside the framework of developmental planning and design. The case for an integrated treatment of economic and political resources was ruled out by the convenient preference for the tidier issues, thus avoiding, if not consciously evading, the issues which crucially matter. It is not surprising that the bulk of the literature on poverty reduction is concerned with measuring "shortfalls" and the economic problems of covering the identified "gaps." How the rural poor perceive their problems and how their interests can be actually incorporated in organizational networks inducing their participation in the policy system are questions that rarely register in this literature. If the organizational question is treated at all, the major attention is directed to the conventional administrative apparatus and its role in implementing decisions and fulfilling cargoes. A recent study of development in South Asia typically suggests that Indian economic development suffers from an "implementation crisis," and "what India needs is a committed government cadre to frustrate the alliances of vested interests for the good of the Indian nation as a whole."<sup>21</sup> It is this type of mechanical treatment of the organizational question reflecting a familiar form of political innocence which normally prevents one from appreciating the crucial significance of integrated treatments of the political and economic dimensions of rural development for ensuring successful policy action.

Our consideration of a coherent design brings out the complementarity of different components and how a proper composition of the components needs to be combined with policy planning for organized action including official and nonofficial public action. The dilemma of rural development in poor countries is reflected in the fact that the political authorities may not be initially prepared for such a comprehensive scale of policy action in terms of their commitment, capacity and resources. On the other hand, it is in their own interest to make a beginning in this direction because to the extent they succeed in rural development, to that extent they will further enrich their authority and the quality of national life. Even modest beginnings in the right direction can have striking cumulative advantages in terms of political and economic resources. We will have a better idea of the problems and advantages of such beginnings when we discuss some selected cases where policy moves have been initiated in this direction. This will be the subject of our discussion in the next chapter.

FOOTNOTES

<sup>1</sup>The literature on agricultural development rarely discusses the administrative inheritance of political systems from their preindependence years. For an interesting account of the earlier systems of agricultural involvement of the political administration in India, see Elizabeth Whitcombe, Agrarian Conditions in Northern India, Vol. 1, Berkeley: University of California Press, 1972, esp. ch. 6.

<sup>2</sup>For a general discussion of these relations in the Indian context, see H. K. Paranjape, The Poverty of Policy and other Essays in Economic Policy and Administration, Bombay: Somaiya, 1976, pp. 237-285.

<sup>3</sup>Five Year Philippine Development, 1978-1982, Manila, 1977, p. xxvii.

<sup>4</sup>Ibid., p. xxix.

<sup>5</sup>Government of India, Draft Five Year Plan, 1973-83, New Delhi, 1973, p. 2.

<sup>6</sup>Ibid., p. 3.

<sup>7</sup>Government of Kenya, Development Plan 1979-1983, part 1, Nairobi, 1978, p. 9.

<sup>8</sup>Ibid., p. 17.

<sup>9</sup>Ibid., p. 18.

<sup>10</sup>See, for example, Paul Straaten and Shahid Javed Burki, "Basic Needs: Some Issues," in World Development, 6:3, 1978, p. 417.

<sup>11</sup>For a survey of the literature bearing upon these areas of concern, see Bruce F. Johnston, "Food, Health, and Population in Development," Journal of Economic Literature, September 1977.

<sup>12</sup>G. Sheehan and M. Hopkins, "Meeting Basic Needs: An Examination of the World Situation in 1970," in International Labour Review, 117:5, 1978,

pp. 523-542 and S. J. Burki and J. J. C. Voorhoeve, "Global Estimates for Meeting Basic Needs: Background Paper," Basic Needs Papers, no. 1. Policy Planning and Program Review Department, The World Bank, Washington, D. C., 1977, mimeo.

<sup>13</sup> A variety of literature has emerged on the nature of the "gaps," strategies to overcome them, and general possibilities of adoption of such strategies. A few examples of the variety may be cited here. Food and Agriculture Organization and World Health Organization, Food and Nutrition Strategies in National Development, Report of the Ninth Session, Joint FAO/WHO Expert Committee on Nutrition, Rome: FAO, Geneva: WHO, 1976; D. P. Ghai, et al., The Basic Needs Approach to Development, Geneva: ILO, 1978; John W. Sewell, et al., The United States and World Development, Agenda 1977, New York: Overseas Development Council and Praeger, 1977; M. Crosswell, Basic Human Needs: A Development Planning Approach, Discussion Paper no. 38, Washington, D. C.: U.S. AID, October 1978.

<sup>14</sup> The linkages between these aspects are generally glossed over in the prolific basic needs literature. This neglect is largely due to the political caution of the international organizations exercised to the extent that it impairs their understanding of the realistic possibilities of meeting basic needs and pursuing new strategies of rural development.

<sup>15</sup> It is amazing how the ethnic issues of rural societies deeply affecting the course of rural development rarely appear in the discussions of strategies of rural development. Some implications of this neglect are discussed in Jyotirindra Das Gupta, "Nation, Region and Welfare," in the Annals of the American Academy of Political and Social Science, September 1977.

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<sup>16</sup> See I. J. Singh, "Rural Works Programs in South Asia: A Note,"  
Background Paper no. 3, World Development Report, 1978, Washington, D. C.:  
The World Bank, 1978, mimeo.

<sup>17</sup> Ibid., p. 19

<sup>18</sup> See the source cited in footnote 16.

<sup>19</sup> World Bank Atlas, 1977, Washington, D. C.: The World Bank, 1977, p. 27.

<sup>20</sup> See, for example, Government of India, Planning Commission, Report  
of the Working Group on Block Level Planning, New Delhi, 1978

<sup>21</sup> J. S. Uppal, Economic Development in South Asia, New York: St. Martin's  
Press, 1977, p. 137. Apparently, the author believes that this ideal cadre  
will know what is "the good of the Indian nation" and will remain unaffected  
by its social origin, social pressures, and its own group interests at all  
levels of administrative operation including the rural areas.

Chapter 3

POLITICAL ACTION AND RURAL DEVELOPMENT<sup>†</sup>

Academic discussions of the need for a properly integrated design for rural development rarely consider the problems of transition from the conventional practice to the revised practice in actual political and economic settings. While development studies, in general, appear to excel in analyzing states of economy or in offering ideal alternatives, few studies venture into the untidy issues of transition from one phase of policy to another in a specific setting.<sup>1</sup> Stylized classifications of stages of development do not consider the problems faced by policymakers for ensuring the transition in the desired direction.<sup>2</sup> A stage analysis may compress a mass of selected evidence from a vast area of the world covering a long period of time, but it does not clarify the critical steps of authoritative action necessary for realizing major policy innovations in real time in concrete political settings.<sup>3</sup> Revolutionary socialist theories of development offer a rich body of literature addressed to political strategies of transition appropriate to the understanding of what makes turning points realizable in classes of political situations.<sup>4</sup> But this literature does not apply to gradualist transition for obvious reasons.<sup>5</sup>

Since a major policy transition involving integrated and comprehensive action in a gradualist political system is unlikely to enjoy the advantage of a clean break from the chain of inherited continuities, it naturally calls attention to the particular areas of freedom of action that policymakers can carve out in a specifically given situation. The quality of authority and the degree of power required for making such an initial move to make a significant stride in history by a prudent realignment of public policy and

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<sup>†</sup> For References and Footnotes to this chapter, see pp. II-115-II-126.

group interests are not easy to come across in poor countries served by gradualist systems. Yet the paradox of politics in underdeveloped countries is that the political leadership can make their nations prosper if they can combine a number of serious reform measures at the same time. An individual set of leaders can assure their own prosperity at the cost of the peoples' welfare but such courses of action may not be in the interest of their own durability and long-run glory. Piecemeal tinkering with established policies may be perceived as less risky in their political calculation, but it will also generate a low political return in the long run. On the other hand, though a strategy of middle-scale integrated measures necessary for making a difference in the pattern of development may entail a high risk it may yield a high return not merely for the nation but also for its political leadership.

Variation on Big Push: Romance and Reason

The political prudence of choosing a strategic combination of complementary policies has not failed to capture the imagination of a number of leadership groups in a variety of developing countries despite wide variations in their social composition and ideological persuasion. Political and economic historians will increasingly recognize how the pursuit of policy innovation carried on by determined leadership groups without the aid of catastrophic transformation has proved to be congruent with the joint gains of the countries and their leadership groups. It will take a stubborn ideologue to miss the difference in development accomplished in about a decade or two in Taiwan, South Korea, Sri Lanka, Tanzania, and in selected states in India, particularly with reference to rural development. The list can be extended if the focus is limited to the agricultural production

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aspects of rural development.

Why did they choose to pursue a strategy of big push in rural development when most of the developing countries were either reluctant to follow such a course, or instead chose to pursue a strategy of misplaced big push for industrialization as suggested by the original use of the term?<sup>6</sup> We are using the term big push simply in the sense of an accelerated effort initiated and induced by the state, not merely in the sphere of rural investment accompanied by the necessary industrial promotion but also in the sphere of appropriate organizational mobilization. Though the exact answer in each case needs to take account of the relevant situations, at least one general lesson can be derived which is of considerable interest to our discussion of the political possibilities of major transition in gradualist systems. What we can learn from these diverse cases is that leadership groups emerging from the same social origin can defy and significantly alter the pattern of public policy in a developing country if they decide to calculate their political return in a different manner than that of their predecessors. If this significant departure has been repeatedly possible in recent history, it should be interesting to explore what can promote or prevent such possibilities elsewhere. It is also worth noting that the initial decades of development were marked by a romantic acceptance of the case for an accelerated investment and effort in complementary directions for industrialization. There is no compelling reason to believe that where political leadership was able to make a major transition towards rapid industrialization it would be unable to do so for rapid rural development. Fortunately, policy reform in this direction is under way in many countries. We will explore a few selected cases to explore these possibilities.

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Policy Renovation in India

The problem of rural poverty in India and the policy system addressed to rural problems are equally complex. With more than 600 million people, about 40 percent of whom fall below the generally calculated poverty line for the country, India contains the largest number of the world's poor people. Scholars are busy debating whether the poor in India are getting poorer or not as agricultural development is proceeding apace. Those who advance the thesis of immiserating growth have discovered that despite rising production in food and agriculture, the poverty situation in India has worsened.<sup>7</sup> A more comprehensive national and state level study commissioned by the World Bank, however, indicates that a linear time trend fitted to one estimate based on a national poverty line and a second based on state-specific poverty lines for the period 1956/57 to 1973/74 yields results which "provide no evidence for asserting a trend increase or decrease in rural poverty over the period as a whole."<sup>8</sup> The author of this study observes:

(There) is a pattern of fluctuation, with the incidence of poverty falling in periods of good agricultural performance and rising in periods of poor performance....

The evidence on the relationship between rural poverty and agricultural performance is somewhat mixed....At the all-India level there is strong support for the hypothesis that the incidence of rural poverty is inversely related to agricultural performance measured in terms of agricultural NDP per rural person....The state level analysis presents a somewhat different picture....<sup>9</sup>

It is clear from the selected economic indicators presented in Table 1 that the year-to-year fluctuations in agricultural production have been large, mainly as a result of weather and related factors. Whatever the judgment on the controversial points emerging from these studies, the overwhelming

Table 1. --India: Selected Economic Indicators<sup>a</sup>  
(Percentage change over previous year)

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
Gross national product at 1970-71 prices	-1.1	5.0	0.8	8.9	1.6	7.2 <sup>a</sup>	3.5 <sup>b</sup>
Agricultural production	-8.0	9.9	-3.2	15.2	-7.0	13.9	2.0 <sup>b</sup>
Foodgrains production	-8.2	7.8	-5.4	22.0	-9.0	14.8	2.0 <sup>b</sup>
Industrial production	4.0	2.2	2.6	6.0	9.5	3.9	7.5 <sup>c</sup>
Electricity generated	5.9	3.3	5.2	12.9	11.8	3.4	12.9 <sup>c</sup>
Wholesale prices	10.0	20.2	25.2	-1.1	2.1	5.2	-0.6 <sup>d</sup>
Money supply	16.6	15.5	6.9	11.3	20.3	14.7	12.0 <sup>d</sup>
Imports (in current prices)	2.4	58.1	52.9	16.5	-3.6	19.6	21.2 <sup>d</sup>
Exports (in current prices)	22.5	28.0	31.9	21.4	27.2	4.5	-2.3 <sup>e</sup>
Foreign exchange reserves (rupees crores) <sup>f</sup>	478.9	580.8	610.5	1,491.7	2,863.0	4,499.8	5,081.7

\* Data are from the Government of India, Economic Survey, 1978-79.

<sup>a</sup> Quick estimates.

<sup>b</sup> Anticipated.

<sup>c</sup> April-December 1978 over April-December 1977.

<sup>d</sup> As on January 12, 1979 compared with March 31, 1978.

<sup>e</sup> April-November 1978 over April-November 1977.

<sup>f</sup> Crores = 10 million.

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magnitude of the persistent poverty in India and the obvious increase in the absolute numbers of people in poverty due to the growth in rural population during the recent decades emphasize the scale of policy attention required for serious efforts to alleviate poverty.

What these economic estimates of poverty bring out constitutes only a fragment of the more general situation of social disadvantage and human tragedy. Poverty in India has been maintained and perpetuated by a complex structure of social authority, economic privilege, and political power. It is the integral linkage of these factors that especially calls for an integrated treatment of the problems of rural and national development. If the political authority in India is a product of the social structure that has sustained a system of mass misery, what kind of responses can be reasonably expected? Conventional analysis of political response has assumed a basic harmony of interests between the leaders and the masses.<sup>10</sup> When the leaders fail to respond, it is assumed to be due to a lack of proper values or a lag in expertise or simply errors in judgment. Probably, according to this analysis, Indian leaders irrespective of their social origin and interests would be more responsive if these deficiencies can be corrected by proper diagnosis and expert treatment. Radical analysis of political response has taken many directions. The soft form asserts that social affiliation will critically influence the manner and extent of response, but at the same time it recognizes a limited scope of improvement of the pattern of response which can change the living conditions of the rural poor for a more human existence.<sup>11</sup> The hard form of radical analysis does not betray any weakness for reform and suggests that only a revolutionary restructuring of the national society—and the global society as well

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according to one variant of this analysis—can ensure the proper response to the problem of rural poverty.<sup>12</sup> While these types of analyses do not exhaust the possibilities of answering the above question, it may be more interesting at this stage to turn to the record of actions of the political authority.

The composition of political authority in India has been marked by a remarkable continuity for close to three decades. Leaders recruited from the educated middle class have gradually fashioned an alliance with the rural influentials to reach for general rural support through the organizational network of the Indian National Congress. Democratic elections at the federal, state, and local levels conferred legitimation to its continuous rule until 1977 when it lost the election at the national level for the first time after independence. A system of parliamentary democracy practised in a state based on federal division of responsibilities set in a country of India's size, population, poverty, and ethnic complexity would naturally tax the capacity of any enterprise of policy planning for development. Officially, the system of economic planning for development, pursued since the early fifties, calls for a continuous cooperation between the central and the state governments. In practice, planning has taken the form of a highly centralized enterprise reflecting the shifting preferences of the central political leadership and its supporters in the states. The leadership at these two levels have shown more agreement in formal declarations of developmental intent than in real action. The result has been one which may be called a dual government where centrally decided policies have been repeatedly rendered ineffective by state-level policy and action.

Dual government in India needs to be considered in the context of the

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fact that the policy areas pertaining to agricultural and rural development are basically reserved for state governments. However, the central government's higher capacity to allocate revenue resources normally make the states beholden to the center. The capacity to allocate revenue must be distinguished from the capacity to decisively alter the structure of privilege that dominates rural society. Political authority in the rural areas has a life and power of its own, which is clearly reflected in the manner it has dominated the operational field of policy practice concerned with rural development both during the Congress party rule and the Janata coalition rule following it.<sup>13</sup> The rural notables who confidently call the tune of local action can bend the central and national efforts addressed to rural development to suit their interests. Their command over the rural assets and their capacity to dominate the rural poor by economic means and cultural convention have given them a powerful position of advantage for working out a system of political exchange with the authorities of the upper levels of national life. Their political support is necessary for electing the upper leaders to office and in return they naturally expect to rule and prosper in their own domain. The success of this bargaining strategy is, of course, contingent on their capacity to present a united front. However, innate social divisions and the new economic divisions fostered by agricultural growth generate new modes of rivalry in the old system of rural authority and the rules of political competition in the Indian structure of representative politics offer enticing incentives for political division.

This context of complex authority patterns in India merits attention for understanding the sequence of political action concerning rural development.

During the first phase of economic planning, the ruling norm was rapid industrialization. At this stage attention directed to the problems of rural development was limited to selected improvements in agriculture and community development.<sup>14</sup> From an extensive approach to improving agricultural production the focus was shifted to the Intensive Agricultural District Program conducted in selected districts from 1960-61. This package program involving coordinated measures to attend to seeds, fertilizers, and plant protection problems was extended in 1964 through the Intensive Agricultural Areas Program. It took a catastrophe of a series of droughts to move the authorities to adopt a new strategy for agricultural development in 1966-67. Greater emphasis was placed on an increased application of scientific and technological innovations for raising agricultural productivity. Except for a limited success in the community development program,<sup>15</sup> the major impact of the rural policies through the sixties was confined to agricultural production promotion and its attendant social consequences.<sup>16</sup>

The strategy of production promotion was carried on under the assumption that an improvement in agricultural productivity and output will be accompanied by commensurate gains in rural employment and income for the poor—the "weaker sections" in the Indian official usage—at least within a reasonable period of time. But as the public and private investment in new technology and related services kept on delivering impressive gains for the nation and the rural rich, the expected trickle failed to answer the planners' prayer. As a result, the unfortunate equation between rural development and agricultural growth appeared less credible by the end of the sixties. A spate of warnings regarding prospective agrarian discontent emerged at this time and by the turn of the next decade the discovery of

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poverty and inequality became a growth industry. A favorite prediction of this time was that the green revolution was about to turn red. If time has not served the social scientists making these predictions well, they have at least gained a wide audience.<sup>17</sup>

The general election of 1971 returned an unusually confident Congress Party to national power. The sagging popularity of the party demonstrated in the late sixties was now reversed. One interesting feature of the campaign used by the ruling party for winning this election was the direct call for support from the rural poor and an assurance generated in the rural areas that this time policy planning would favor the rural poor. The rural poor delivered their votes. But the votes failed to yield a fair return.

#### Rural Programs and Integrated Attention

The initial response of the policy planners was to continue the conventional policies of encouraging agricultural production and productivity with the fond hope that benefits would spread evenly.<sup>18</sup> The gains of the technological innovations and their intensive application served to reinforce their faith in production promotion as the key to rural development. The rich farmer of the wheat belt aided by subsidized water, fertilizer, seeds, and extension services remained the hero in the planners' imagination no matter what the socialist rhetoric of the fourth plan wanted its readers to believe. The poor peasant had to wait.

Meanwhile the situation of rural misery was not getting any better. The absolute size of rural population in poverty increased from 173 million in 1960 to 216 million in 1971.<sup>19</sup> The structure of employed labor force in agriculture indicated that between 1961 and 1971, the percentage of self-employed and family workers declined from 75.5 to 61.3 while that of salary

and wage workers increased from 24.5 to 38.2 during the same period.<sup>20</sup>

Rural unemployment kept growing. Food consumption of the lowest expenditure class in rural areas declined although food production increased.

It became clear that gains in rural production would not necessarily assure a better living for the poor producers and their families unless deliberately integrated efforts are made by the public authorities to tie production, consumption, and welfare together in a manner such that at least the minimum levels of human existence can be obtained. The political authorities proceeded to recognize this in their intellectual observations but they were slow in admitting that planning priorities need a major alteration to translate this recognition into effective practice. One reason for the slow evolution of such practice lies in the low level of organizational effectiveness of the rural poor. Due to their weak capacity to express group interest, their richer rivals in rural areas have generally preempted the right to speak for the rural constituencies.<sup>21</sup> That the productive implication of assuring minimum levels of living to the rural poor has been repeatedly ignored by the public authorities may be due more to this relative organizational weakness in exerting pressure than to a normative bias which treats the case of the poor as one of wasteful welfare. It is interesting that the argument of wasteful welfare is rarely raised by the same authorities when generous subsidies are allocated to maintain uneconomic enterprises in trade, industry, and agriculture.<sup>22</sup>

The agenda of rural development proposed during the seventies may be considered in three phases: preemergency Congress, 1971-74; emergency Congress, 1975-76; and Janata coalition phase, 1977-mid-1979. One basic feature revealed through all these phases is the lack of serious efforts

to alter the rural asset-structure in favor of the rural poor. With a few exceptions, political authorities at the state level have made sure that land reform will not significantly affect the interests of the rural notables in an adverse way. What we have discussed before as the component of structural reorganization in designs for rural development has been consistently neglected. This refusal to let the poor have a fair access to the structure of rural property has obviously made it easier for the policy planners to treat them as objects of unproductive welfare. The indifference to land reform is reflected by the fact that vastly complicated state legislation on land reform was left to be implemented by the conventional apparatus of revenue administration.<sup>23</sup> In a country where office proliferation is rarely resisted, it is interesting that no separate machinery for implementing land reforms was created. Land needed for subsistence by 1975 was estimated, on the basis of the previous record of yield per acre, in the country to be 2.39 acres for rice and 2.26 for wheat.<sup>24</sup> By that time, the pattern of land holding in India showed that marginal size holdings of less than one hectare accounted for about half of all holdings but the total area operated by these units did not account for more than 9 percent of the area under operation. By comparison, the large holdings of 10 hectares and above—admittedly tiny by other standards—constituted barely 4 percent of the total holdings while they accounted for more than 30 percent of the total area operated.<sup>25</sup> If we add to this the situation of the growing number of landless laborers, who accounted for 20 percent of agricultural households by 1971, the critical role of structural reorganization for rural development becomes clearly evident.

Land reform has proved to be a critical issue in a number of ways.

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For about three decades it has demonstrated in a striking manner the political problems of developmental action. This is an area where policy planners had the advantage of following a near-consensual objective. It did not call for a massive financial investment. There was a general agreement concerning its economic feasibility. Gaps in capital, technology, and modern expertise did not stand out as problems. Specific steps of action like abolishing intermediary interests, tenancy reform, ceiling on holdings, distribution and consolidation of land, were agreed upon and initiated without much delay. But after five Five Year Plans, the basic objectives of land reform still remain unrealized. The nature of the Indian political authority and its crucial importance in choosing the pattern and pace of economic development are clearly revealed in this experience of three decades. Even an official report has suggested that "considering the character of the political power structure obtaining in the country it was only natural that the required political will was not forthcoming."<sup>26</sup>

The failure of land reform measures throws an interesting light on the prospect of integrated designs for rural development in India. If the four components of integrated design relevant to successful pursuit of public action for poverty alleviation, as discussed before, need to be treated together, it is not unreasonable to assume that the structural component is unlikely to be utilized in the Indian design. In fact, some of the problems of implementing land reform were due to a lack of minimal integration of its basic components. Thus problems of tenure, tenancy, ceilings, and consolidation of holdings were often treated as isolated issues calling for dispersed attention. Consolidation of holdings, for example, was

frequently initiated without any provision for rural roads, irrigation and drainage facilities, land shaping, and soil conservation. The lack of internal integration within the policy process of land reform is strikingly revealed in another way. The Planning Commission and the Union Ministry of Agriculture have often tended to disagree on crucial issues of action regarding land reform. Even under the Janata Party rule, when the central government conveyed the impression of being more serious about the urgency of land reform, these two apex agencies could not agree on the magnitude of the total surplus land available for redistribution on the basis of current ceiling laws. In 1978 the Ministry of Agriculture directed the state governments to expedite the process of distribution. The Planning Commission—and advisory agency—was more eager to speed up the process. The two agencies, however, offered radically different estimates of surplus. The Ministry indicated a surplus of the order of 4.2 million acres while the Commission thought that the figure should be close to 22 million acres, if not more.<sup>27</sup> Given this state of coordination between two central agencies, it should not be difficult to imagine the problems of coordination between the center and the states. It is not surprising that as of 1977 less than 25 percent of land declared surplus had been distributed (Table 2). It is interesting to recall that the emergency regime from mid-1975 to early 1977, though investing the center with unopposed power, failed to make any difference to the land reform process. If anything, the authoritarian interlude appeared to demonstrate that concentration of power does not necessarily contribute to the creation of the requisite political authority to accomplish major reforms.<sup>28</sup>

Table 2.--Land Reform in India: Pattern of Surplus Land and Its Distribution<sup>A</sup>  
as of February 1978 (Area in acres)

State/union territories	Area estimated to be surplus (1)	Area declared surplus (2)	Area taken possession (3)	Area distributed	
				Area (4)	Number of beneficiaries (5)
Andhra Pradesh	1,000,000	1,548,183	385,863	173,182	138,801
Assam	400,000	557,148	544,137	252,615	210,968
Bihar	300,000	229,622	126,039	126,039	134,298
Gujarat	1,005,969	54,399	4,123	0	0
Haryana	29,304	78,019	56,262 <sup>a</sup>	21,648	8,720
Himachal Pradesh	193,420 <sub>b</sub>	85,032 <sub>b</sub>	81,760 <sub>b</sub>	4,143 <sub>b</sub>	5,930 <sub>b</sub>
Jammu and Kashmir					
Karnataka	400,000	121,657	n.a.	35,674	6,832
Kerala	150,000	132,551	65,110	41,618	62,949
Madhya Pradesh	50,000	392,640	197,534	69,297	4,955
Maharashtra	370,650	347,645	269,376	269,376	72,893
Manipur	1,081	0	0	0	0
Orissa	200,000	124,514	108,335	91,547	67,701
Punjab	87,000	24,033	5,589	4,532	2,318
Rajasthan	794,000	251,039	222,734	105,462	23,789
Tamil Nadu	90,870	38,710	38,176	31,572	20,837
Tripura	4,981	1,906	1,044	421	390
Uttar Pradesh	250,000	266,757	224,866	159,248	140,187
West Bengal	200,000	88,885	46,346	39,937	63,931
Andhra and N. Havelli	7,413	7,445	4,628	2,202	963
Delhi	1,500	794	192	0	0
Pondicherry	3,012	1,994	730	660	762
Total	5,539,202	4,352,973	2,332,844	1,429,171	967,224

\* Data are from the Government of India, Ministry of Agriculture and Irrigation, Report of the Working Group on Land Reforms, 1978.

<sup>a</sup> Made available and distributed under the old ceiling law as a result of the recent amendment.

<sup>b</sup> The Agrarian Reforms Act, 1976 was enacted and brought into force recently. No report on the progress was received as of 1978.

### Evolving Programs

The appeal of the phrase "integrated rural development" was not resisted by the policy planners. It appeared in a number of policy documents, particularly in those passages where ideal intentions were described. The scope of integration prescribed in actual policies was limited to experimental attempts to coordinate selected resources for increasing agricultural production and reducing unemployment and underemployment among small farmers and agricultural laborers. The Task Force on Integrated Rural Development appointed by the Planning Commission in 1971 frankly chose to equate the expression rural development with "agricultural development in the widest sense so as to embrace, besides crop husbandry, all the allied activities."<sup>29</sup> The basic concern of its approach was confined to spatial and functional integration of production and employment-oriented activities. What the Task Force wanted to accomplish was to devise ways of overcoming the dispersal, fragmentation, and duplication among the existing programs. The major objective was to refashion the productive apparatus pertaining to the use of land and water resources and to ensure a diversification of investment. This limited view of integrated rural development may not agree with the wider range of meaning assigned to the phrase in the ideal pronouncements added to the planning documents in the early and the middle seventies, but it succeeds in clearly stating the main perspective of practice dominating the first two phases of the agenda of rural development in India.<sup>30</sup>

Several special programs for assisting the rural poor were initiated during the early seventies. Many of these programs would suggest a gradual evolution of interest in integrated attention and a progressively widening

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perspective on integration, particularly as they were modified during the third phase of rural development. These special programs have gradually come to cover a wide part of the rural population. The coverage of three nationwide programs extends to 2950 out of a total 5100 development blocks in the country. There are also state level special programs for rural development. Besides the national programs, the employment program in the state of Maharashtra merits particular attention. Although government allocations for these programs are small compared to total outlays for agriculture and irrigation, the draft plan for 1978-83 calls for nearly a threefold increase compared to an overall increase of a little over twofold for all agricultural and rural development programs (Table 3).

What makes this category of programs special, according to the convention followed in Indian policy planning, is the approach to targeting followed in these programs. The idea is to specify the target groups and target areas that need special assistance and then to plan the incidence of policy accordingly. Thus one special program is directed to small and marginal farmers. Another is directed to drought-prone areas. The third is aimed at command areas, concentrating on a better utilization of irrigation potential in selected areas. In addition, there are many other special programs conducted on a nationwide basis. The function of these special programs is to supplement the normal programs that account for a much larger national public outlay. We have chosen to limit our attention to special programs for the obvious reason that these are more directly earmarked for benefiting the rural poor without denying the general importance of the normal programs addressed to the rural segment as a whole. However, so far as poverty alleviation in the rural segment is concerned, there are other

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Table 3.--Patterns of Public Outlays for Agriculture  
and Rural Development in India: Comparison of Two Recent Plans  
(In crores of rupees: crore = 10 million)

Sector	Fifth Plan, 1974-79 (2)	New Draft Plan, 1978-83 (2)
Agriculture and allied activities	3,109	5,900
Agricultural production	575	1,125
Agricultural research and education	210	425
Land reforms	163	350
Soil conservation	221	450
Food storage and processing	123	150
Animal husbandry and dairy	38	325
Fisheries	150	400
Forestry	206	450
Investment in agricultural financial institutions	320	1,000
Community development and Panchayati Raj	127	150
Cooperation	376	475
Rural development	1,193	2,800
Special programs for rural development <sup>a</sup>	537	1,550
Command area development	206	450
Hill and tribal development	450	800
Total, agriculture and allied activities plus rural development	4,302	8,600
Irrigation and flood control	4,226	9,650
Major and medium irrigation	3,089	7,250
Minor irrigation	792	1,725
Flood control	345	675
Total, agriculture and allied activities plus rural development plus irrigation and flood control	8,528	18,250

\* Data are from Draft Five Year Plan, 1978-83, pp. 17-18, 20, and 131.

<sup>a</sup> Programs of the Small Farmer Development Agency (SFDA) and the Drought Prone Areas (DPA) program are major components of this category.

programs concerned with health, nutrition, population planning, education, housing, etc. In other words, in order to appreciate the agenda of rural development in India, it is necessary to recognize policy areas within which these programs are primarily located. Policy areas concerned with production, employment and income, and human resource promotion are identified here for analytical convenience. Planning parlance in India has its own lexical rules and taxonomic devices which may confuse nonofficial observers. Our purpose of treating the special programs from the vantage point of defined components of a design is to understand the internal and external linkages within and across these components or policy areas in order to appreciate their impact on rural development.

The special program for small farmers began as a series of pilot projects for small and marginal farmers under two separate agencies in 1971. These were merged into one program during the Fifth Plan under the Small Farmers' Development Agency (SFDA). During the Fifth Plan, 160 SFDA units were set up, each of which is expected to cover approximately 50,000 beneficiaries in the project period. Participants are selected according to a definition based on ownership holding. Small farmers are those who have holdings between 2.5 to 5.0 acres of dry land and marginal farmers qualify with 2.5 acres of dry land or less. For irrigated land, lower limits are set using an appropriate conversion ratio.<sup>31</sup>

The basic objective of the SFDA program is to enable the poorer farmers to become economically viable by providing subsidized capital, physical inputs, and technology. The subsidy rate on capital cost varies from 25 to 33.5 percent depending on the need of the participant and his resources. The emphasis is on raising the output of small holdings by

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generating self-employment and providing alternative occupations. These projects offer a variety of development programs related to agriculture, animal husbandry, and in some cases agro-based industries for improving the economic level of the identified participants.<sup>32</sup> A review of SFDA projects indicates that beginning with about half a million participants in 1971 the program has reached close to 15 million by early 1978. This official review also indicates that the rate of fund utilization has been encouraging. From the official point of view the most encouraging aspect of this program can be found in the satisfactory rate of participation of members of the scheduled castes and tribes in this program, especially during the later years. It is also interesting that by 1977-78 out of all the identified participants 54 percent were marginal farmers, 27 percent small farmers, and 19 percent agricultural laborers. From the official point of evaluation then the SFDA serves as a model of an integrated approach to a target group oriented action for rural development.<sup>33</sup>

The official accounting of success, however, is based on reports from the agencies. It is doubtful if the increase in the number of participants really implies a commensurate increase in participation or corresponding productive results. Reviews conducted by observers not directly connected with the Ministry of Agriculture offer a mixed story, though all of these studies confirm that the SFDA program has proved to be a major innovation of nationwide significance.

The political strategy that informed the introduction of SFDA and its subsequent nationwide expansion needs to be appreciated in order to evaluate the significance of this type of special program. Striking strides in agricultural production resulting from the strategies of selective inducement,

especially to the relatively richer farmers, had for a while concealed the problems raised in the countryside by the deliberate policy of uneven enrichment in the rural areas. Along with SFDA, the special programs in general, were set up to compensate the impact of the growing disparities—by lending a direct public support to a growing number of poor peasants.<sup>34</sup> Previously, the emphasis was on how to bring more acres under new technology. This time, the returns of the same technology had encouraged political authorities to seek larger rural support by trying to bring the new technology and the growing public resources to wider sections.

By placing the major emphasis on a "program to people" basis, distinguished from the normal approach of "program for output" pursued simultaneously, the authorities also invited a new challenge to their organizational skill. More so, when the SFDA was gradually extended to most parts of the country, the organizational problems of this compensatory policy became clearly apparent. These problems can be treated as two related aspects of translating a policy requiring integrated attention in a country like India. One involves the problem of appropriate coordination of complementary activities. The other raises the issue of proper coordination of organizational devices to ensure the complementary contribution of those activities in desired forms of combination.

From the perspective of integration of activities, the SFDA has the unenviable task of finding the right participants, choosing a combination of tasks consistent with the different interests of small farmers, near-landless farmers and the agricultural laborers and then to choose how the needs and resources of each area can be compatible with the chosen combination of activities. Finding the right people to participate may not be

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difficult except that the promise of subsidy normally induces the wrong kind of people who know how to get in the act better than those who have never before come across dispensers of public funds. This is worsened by the fact that, when those wrong people command the local power structure, the latter cannot remain neutral to a process of an inflow of patronage in its own political domain. The early history of the SFDA, studied by an evaluation team of the Planning Commission on the basis of an empirical survey, suggests that the task of identification of target groups was not easy. To be sure, this study reports the problems encountered in the early stages.<sup>35</sup> But it does indicate the nature of the problem. According to this study, the performance of nearly 39 percent of the SFDA in regard to identification was "good," and 23 percent had an "average" record.<sup>36</sup> During this period the marginal farmers and agricultural laborers' projects (MFAL) were independent of, though parallel to SFDA. The record of target group identification by MFAL was rated worse: 58 percent of these projects were awarded a "poor" rating.

However, the problem of correct identification of target groups—considering the initial complexity of this job for a new project—was not severe. According to the evaluation study mentioned above, the ineligible participants were of two types: those who were above the defined limit and others who were below it. Among 22 SFDA projects surveyed, the proportion of the ineligible richer farmers gaining access to these projects was barely 9 percent. At the same time the proportion of persons holding land below the minimum size prescribed for small farmers was about 12 percent—a part of the problem in this case was the confusing directives issued by the Government of India. If one considers the history of comparable Indian

projects in other sectors, this magnitude of ineligible entry in the initial stage of a nationwide program would hardly be considered as abnormal.

Identification merely marks the beginning of a long chain of responsibilities of the SFDA's. They are supposed to ensure rapid access to generous credit either channeled through cooperatives or farmer service societies or directly given to individuals. The credit has to be extended mostly in kind, e.g., in the form of pumps for irrigation, livestock, buildings, fertilizer, etc. Risk insurance has to be arranged. If in a particular area, the major need happens to be one related to water supply, the latter has to be joined with programs of better seed, intensive cropping, fertilizer use, and pesticides. In case of marginal farmers and especially agricultural laborers more employment-related tasks would be involved.<sup>37</sup> Studies of projects in operation indicate that the list can go on and what adds to the list is the responsibility to be sensitive to a wide range of local variations.

Preplanning, in order to arrive at a rational combination of diverse tasks is made especially difficult by the problem of the variation in the problem set faced by each SFDA. The diversity in the modes of social oppression associated with rural living in India makes the job of special programs still harder. Conventionally sanctified peasant obligations in the form of tributes to the caste elder, caste superior, religious leaders, economic patrons, and political brokers considerably add to these difficulties.<sup>38</sup> Intensive studies of other special programs show that, in areas where labor bonding prevails, there have been cases where newly generated income of poor peasants was surrendered to patrons as a matter of obligation. It may be hard enough for SFDA-type programs to integrate tasks for generating a

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higher income for small or marginal farmers, but it is harder still to ensure that the new income alone will lead to a new social outcome.

#### Organization and Action

If a new transition to significant demiseration of poor peasants is seriously intended, it will call for an organizational renovation consistent with the nature of the job. How does the SFDA respond to this challenge? As a centrally sponsored program conducted in states with the operational base located at the district level, it is designed to reflect the basic norm of the Indian administrative system. The top leadership of the agency is vested in the district collector or magistrate who serves as the chairman of a Governing Body to administer the agency. The Governing Body consists of representatives of the state level government including departments of agriculture, animal husbandry, cooperation, Land Development Bank, Central Cooperative Bank, and the Zila Parishad chairman and a few other nonofficials.

The responsibilities of the Governing Body of a SFDA consist of assessing the basic characteristics including resources and needs of the project area, to formulate the agenda of the specific project for the target groups and to serve as a general coordinating body. Since the SFDA has to depend on a variety of regular administrative departments for the success of its tasks which would naturally need their support, the very success of the agency would be contingent on the ability to evoke and maintain their cooperation in specific areas of activity. A more difficult job of the agency consists of devising affective ways of persuading the normally jealous departmental line agencies to mutually cooperate on a sustained basis. This is precisely where integrated projects often come to grief. This job is especially hard for new agencies of limited authority like the

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SFDA, partly due to its age, but much more so due to its uncertain place in the hierarchical structure of the administration.

Studies of SFDA's in the early stages of their operation show that the key factor determining their effectiveness can be traced to the active interest that the chairman is likely to assume. As the head of the district administration and armed with an assured status in the top hierarchy of the national executive, the chairman alone can--if he wants to--solve the basic status problem of new program agencies. Within the SFDA, it is the chairman's level of interest and capacity that can make the governing body cohere together as an integrated leadership. Out of 21 SFDA's covered by one evaluation study in 1974-75, only in 12 the governing bodies met regularly--the latter usually involving projects where the chairman did not take active interest.<sup>39</sup>

By giving the SFDA's merely a shared slice of the district collector or magistrate's authority, the national policy planners have thus set up a novel program invested with inadequate authority. The operation of the governing body and its quality of leadership are also affected by its dependence on the chairman's will and his role in vertical linkage. With a chairman's divided attention and a consequent weakening of the leadership of the new agency, it would naturally find it harder to bargain with the established parallel line agencies like the local officials of the respective ministries relevant to the specific jobs. Whether a different kind of organizational structure would have been more consistent with the integrated nature of the SFDA's type of function, is a question that needs careful consideration.<sup>40</sup> If a novel program is ineffectively performed by an inadequate organization, the organizational failure may unduly affect the

appeal of the program's objectives.

The problem of allocating appropriate authority to a new agency to conduct a novel program raises interesting issues. New agencies are created because integrated action envisaged in special programs cannot be performed by the well-entrenched departmental agencies. But the new agencies are not allowed to rival the authority of the regular agencies. Hence special agencies have been created with auxiliary status. But it is precisely the auxiliary grafting on an entrenched setting that has retarded the effective pursuit of appropriate integration of jobs which lie at a complex intersection of competing established domains.

To make matters still worse, the domains of the new special programs are neither clearly defined nor strictly regarded as mutually exclusive. If we compare the small farmers' program with the command area program (CAD) involving irrigation areas which need integrated attention, it will be difficult to miss the salient points of contrast. But a few words are necessary to briefly describe CAD. The Command Area Development program, beginning in 1974, extended to 961 development blocks in 12 states by 1978.<sup>41</sup> This is a central government project seeking to ensure an integrated program of irrigation management, land development, agricultural research, and other support activities pertaining to agriculture. Unlike the SFDA program, it is a target-area-oriented program. Though the main emphasis of the CAD is on the improvement of water conveyance and drainage systems, the program carries on a variety of on-farm development activities with a special concern for the poorer sections. Many of the benefits available to small and marginal farmers through the SFDA, according to an official guideline on integrated rural development, are also available to them under the CAD

program.<sup>42</sup> The overlap of some services between the SFDA and CAD poses a problem in areas where both these programs operate.

Where services overlap, competing authorities are likely to come in conflict. It is interesting to note that where such conflicts actually take place, the CAD enjoys an edge due to its organizational advantage. This advantage stems from the nature of the authority vested in the Command Area Development administration. At the state level, the Chief Minister is directly associated with its policy formulation process. In the state of Maharashtra, a cabinet-level subcommittee with the Chief Minister as the chairman oversees this program.<sup>43</sup> The field organization has been entrusted to the Area Development Commissioner who also concomitantly serves as a senior Secretary in the Irrigation Department and as Secretary of the cabinet subcommittee for Command Area Development. At the project level each Command Area Development Authority is headed by an administrator either drawn from senior level Indian Administrative Service personnel or specialists in disciplines like engineering, agriculture, or finance. In fact, as of 1978 four of the five were from the cadre of Superintending Engineers while the fifth had specialized in agriculture.

What is more interesting is the incorporation of the political leaders, of the regions where CAD operates, into its supervisory board. A senior minister from the region, under the Maharashtra system, serves as the president of the board whose members include members of Parliament, the state legislature, and senior officials of concerned departments. Compared to the SFDA, with its seniormost leader resembling the authority of the third tier of CAD organizational system, and who is supposed to give only one part of his administrative attention to supervise it, the CAD system

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certainly cannot claim to have received weak political attention.

This difference in stature suggests the preeminence of irrigation-related programs over the small-farmer-oriented program in the agenda of rural development policy planning in India. The CAD program's emphasis on target area, despite their concern for the weaker sections of the rural people, is obviously more attractive to the political authority at the central, state, and regional levels. This attraction may be only in part due to the crucial importance of utilizing the irrigation potential for the prospect of rural development. (CAD outlay, however, is small compared to normal irrigation outlay, see Table 3 above.) That investment in irrigation pays handsomely, has been clearly demonstrated. If there is anxiety concerning how it benefits different sections unevenly, so long as the rural society remains rigidly stratified, the CAD is also supposed to favor the poorer segment. But the prospect of the greater relative benefit of the more resourceful rural interests probably accounts for the larger attraction of the regional political leaders. Besides the prospect of uneven subsidy congruent with the political interests of different levels, there is also another prospect which makes the CAD so attractive to leaders. Control of water, made more attractive by the technological innovations in agriculture, also ensures control of strategic points of political and social influence. By contrast, the lines of control and the systems of clientele that can be derived from the SFDA program promise to be less durable and less extensive.

Partly, as a result of weak authorization and to some extent due to weak planning of organizational resources, the effectiveness of the SFDA program has been significantly reduced. The executive arm of the SFDA agency

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is designed to consist of one project officer and some assistant project officers drawn from specialists in agriculture and allied activities including animal husbandry, farm planning, rural credit, etc. These people are supposed to work in cooperation with the regular line agency personnel of established departments. The project officer is supposed to be appointed by the state governments. The role of such a project officer would be crucial for the effective utilization of resources placed at the disposal of the SFDA's.

Since the SFDA program involves a correct identification of appropriate target groups, it is essential that the executive leadership should have continuous familiarity with the people of the area, and a detailed knowledge of its resources and special local possibilities of development. The continuity of the leadership is thus important for successful identification and performance. However, early experience of SFDA operations suggests that there was a frequent change of project officers. Out of 34 projects studied during their early years, there was a continuity of project officers in only 10 cases for a period of three years. Assistant project officers (APO) are supposed to be subject-matter specialists in charge of ensuring linkage with concerned departments and implementing specific program tasks. Fairly long delays in appointing this crucial level of personnel was noted in the first four years: nearly a third of 34 projects studied indicated a loss of 21 to 30 months of APO service.<sup>44</sup>

The SFDA program depends on the extension staff of the state governments for the machinery of implementation of projects and schemes. Extension staff for the SFDA's was originally envisaged at the level which was supposed to be compared with at least the Intensive Agricultural Area Program (IAAP),

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if not the Intensive Agricultural District Program (IADP). But the state governments had not come up with the LAAP level of extension staff for a number of years--the strength of the LAAP level being about one-half of the IADP level.

Later reports on the SFDA program and its obviously growing popularity indicate that considerable improvement has taken place in its operation. During the third phase, i.e., the Janata phase since 1977, planned allocations for the special programs have been significantly stepped up (Table 2 above). We have attempted to bring out some of the weaknesses because they show how the official rhetoric of integrated rural development and poverty alleviation needs to be appropriately discounted if we want to appreciate the practical problems encountered in a specific national setting. The contribution of the SFDA, to the improvement of the small and marginal farmers' and the agricultural laborers' economic situation need not be minimized.

That such a program has extended its coverage to a large part of rural India, implies that at least the direct recognition of the poor--rather than an abstract perception of the problem of poverty--and an organizational device to assist them has proceeded at a pace which was not apparent even as late as the sixties (Table 4). Even if the income-generating capacity of such a program is modest--at least in the formative years--the very scale of its demonstrated capacity to reach poor farmers and to organize them in new forms of cooperation for productive purposes does not have many parallels in nonsocialist countries with gradualist regimes operating in a context of mixed economy. If it is unfortunate that the fairly integrated production promotion function has not been joined with a structural reorganization, consider what happens in a situation where even this

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Table 4. --Small Farmers' Development Agency Projects, 1971-72 to 1977-78<sup>a</sup>  
(expenditure in hundred thousand rupees)

Program (1)	During IV Plan 1971-74 (2)	1974-75 (3)	1975-76 (4)	1976-77 (5)	1977-78 (6)	Total during V Plan period (up to March 1978) (7)	Total since inception (2)+(7) (8)
Number of participants identified	39.27	6.76	38.56	37.77	24.19	107.28	146.55
Number enrolled as members of Coops	19.56	3.72	11.50	15.99	11.19	42.62	62.18
Number of beneficiaries under							
Minor irrigation	1.72	0.48	1.17	1.39	1.83	4.87	6.59
Milk cattle program	0.78	0.38	0.57	0.97	1.11	3.03	3.81
Poultry	0.08	0.01	0.01	0.03	0.02	0.09	0.17
Rural artisan programs	0.09	0.04	--	--	--	0.04	0.12
Rural works programs	2.25	0.58	--	--	--	0.58	2.83
Improved agriculture	11.27	4.15	9.02	9.91	10.54	33.62	44.89
Other programs	0.25	0.23	0.48	0.45	0.36	1.52	1.77
Loans disbursed through cooperatives	<sup>a</sup>					<sup>a</sup>	<sup>a</sup>
Short term		2,684.44	4,231.89	6,264.76	6,974.78		
Medium term	1,617.51	744.94	1,106.63	1,914.14	2,118.74	5,884.45	7,501.96
Long term	3,517.56	1,186.11	1,408.64	1,914.36	2,433.08	7,007.19	10,524.75
Loans disbursed through commercial banks	<sup>a</sup>					<sup>a</sup>	<sup>a</sup>
Short term		316.62	409.57	839.80	726.75		
Term loan	1,064.52	613.69	1,196.85	2,170.87	2,647.00	6,628.41	7,692.93
Amount released	4,683.89	1,795.00	2,050.00	2,750.00	4,496.00	11,091.00	15,774.89
Amount utilized	4,170.59	1,570.97	2,669.17	2,877.09	3,918.55	11,035.78	15,106.37

<sup>a</sup>Data are from the Government of India, Ministry of Agriculture and Irrigation, 1978.

<sup>a</sup>Short term loan is for seasonal agricultural operations, therefore, cumulative total is not given.

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level of integrated effort is lacking. Despite its own organizational problems, it has developed what Guy Hunter has called function-related groups. These small groups have acquired functional coherence and effectiveness of an order that is conspicuously absent in the larger cooperatives. Developing relations between the banking system and the SFDA has made the flow of credit to poorer farmers easier than before. Studies have not shown a discouraging record of repayment; in fact, in this respect, the record of the marginal farmers has proved to be better than that of small farmers. The modest design of rural development informing the special programs like the SFDA, CADA, and the Drought Prone Areas Program (DPAP), can be evaluated better on the basis of records of the Janata phase. With a much larger resource to back them, these programs should have a relatively better opportunity to demonstrate their worth.

#### Special Programs for Employment

Programs like SFDA, CAD, and DPAP contain some important employment components. But the massive and growing unemployment problem in the rural areas needs much more systematic efforts in order to make even a significant beginning to cope with the problem of rural unemployment. Three decades of fairly impressive industrial development has not reduced the proportion of labor force that depends on agriculture. By the middle of the seventies, 79 percent of the population and 82 percent of the labor force lived and worked in the rural areas. According to one estimate, 81 percent of the poverty and 80 percent of the unemployment are in the rural areas of the country, where 294 million people remain below the poverty line and 20.5 million person-years remain unemployed.<sup>45</sup> Considering the magnitude of rural unemployment and underemployment, and their significance for the country

as a whole, it is interesting that policy planners had to wait for more than two decades before recognizing public responsibility for coping with these problems.

If planning was used as a mode of developmental learning, the growing failure of productive improvement to take care of rural unemployment problems would have induced them to reconsider the conventional strategy. But the response of the political authorities, as late as in the early seventies, indicated that the only lessons they were prepared to learn were those which are compatible with small-scale ad hoc measures. It is interesting that the initial step, of some national significance, taken to allocate public resources to directly cope with rural unemployment came from outside the framework of the plan. Aptly called the Crash Scheme for Rural Employment (CSRE), a modest program covering a small fragment of the rural population in every district (annually for about a thousand people) was launched in 1971 for three years.<sup>46</sup> It was supported by nonplan expenditure from the central government. The CSRE did not amount to much beyond a relief operation on a small scale. Even on this scale--providing 304 million mandays of employment which comes to less than 2 mandays per member of the labor force<sup>47</sup>--it brought out the basic unpreparedness of the national authorities to conduct a program of direct encounter with rural unemployment. This is not surprising in the context of the relative sensitivity demonstrated by the center: between 1971-72 to 1973-74, it conducted what was called a Special Employment Program (SEP) which earmarked a higher outlay for the educated unemployed than the sum allocated for rural employment.

What the Crash Scheme clearly demonstrated was that the low responsiveness

of the national political authority regarding the rural poor was equally matched by its low directive ability. The central leadership shifted the organizational responsibility to the states. The latter, in its turn, used any agency of its choosing. Listing the agencies used by different states to implement this program gives an indication of what planning at the lower level meant for this program. The list includes departmental agencies like Public Works or Engineering, block development and panchayati raj agencies, Land Army in Karnataka, and Labor and Development Bank in Kerala. No wonder, the actual working of the CSRE indicated a gradual shifting from original purposes.

The program was supposed to induce direct employment generation through a labor-intensive process of durable asset creation. A standard list of activities was used to guide the projects. These activities, including road building, land development, minor irrigation, etc., were, however, treated separately and their combination was not planned. States chose those items from the list which appeared to be convenient. Road building was given the least preference by the program because it might create assets which could be wasted away by the first rains. But one state spent 99 percent of CSRE funds on roads alone, while another followed with 90 percent.<sup>43</sup> Having no clear sense of beneficiary, no specified recognition of area need, and lacking a minimal integration of complementary activities, CSRE projects could serve more as lines of patronage than as embodiments of employment planning. Since the major emphasis of this program was directed to the "income aspect" with the "asset-creation aspect" left vague, the determination of flow of benefit might as well be governed by criteria other than rural poverty alleviation.<sup>49</sup> The indifferent record

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of CSRE projects could be anticipated from the very nature of its design-- economic and political.

The difference that can be made by a better designed program can be seen in the case of a state-level program. The Maharashtra Employment Guarantee Scheme (EGS) has evoked wide interest, both due to its design and the record of performance. The EGS which was initiated in 1972, was carefully planned.<sup>50</sup> It stems from a 15-point program for accelerated efforts to combine policies for poverty reduction with those of productive growth. Prior to formulating a state level program for combining employment and growth policies directed to rural areas, a pilot program for guaranteed employment was started in selected blocks where integrated area development projects (IADP) were already functioning. The objective of the EGS is to provide productive employment to all unskilled adults in rural areas who need work and give a notice of demand for manual work. With 15 days of such demand, work should be provided under this scheme, and the participants will have to accept the offered work.

Maharashtra is one of the larger, richer, and most industrialized states in India. However, an acute scarcity of food and depressed incomes caused by deficient rainfall had posed a grave problem for large areas of the state from 1971 to 1974. Fortunately, the relatively richer economic resources of the state were matched by a well-organized political authority that could claim a fair degree of coherence between the lower and state level leadership through formal and party-organizational linkage. Though the state was highly distressed during the 1972-74 drought, the legislature of the state took an organized initiative to save the EGS and make it work from 1974 onwards. However, massive scarcity relief operations in the state

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during 1973-74 served the system well with an organizational experience for public works that is rare in the country.

The organizational planning of the EGS makes sure that the heads of departments in districts induce the local elected assembly representatives to estimate the specifically available resources and the associated possibilities of generating employment. Blueprints are required to be prepared at local administrative levels concerning the modes of practical organization of new work. The idea is to make the EGS a vehicle of local planning of work with the support of state planning and resources. The implementing agencies to be coordinated by the district administrator are supposed to include personnel from departmental agencies concerned with irrigation, soil conservation, building and construction together with members of zila parishads and panchayat samitis. In fact, the local emphasis is borne out by the fact that close to 70 percent of the EGS work load is carried out by the decentralized rural government system, called the panchayati raj system, under close supervision of the district administrators. <sup>51</sup>

According to the basic instructions of the EGS, only labor-intensive works which create durable assets should find a place in the local blueprints. This had encouraged the choice of minor irrigation works such as percolation and storage tanks, community wells; soil conservation and land development like contour bunding and terracing; afforestation; water drainage, etc. In a large measure, the success of the EGS has been due to an integrated local level planning accompanied by integrated state level planning. Besides, the linkage between integration of complementary tasks in modest pieces and the vertical coordination of organization have given the EGS an assurance which other employment programs in India lack.

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It is thus not surprising that the program has been marked by not merely increasing investment, but also by impressive gains in employment for the rural poor (Table 5). At the same time, expenditure per manday has been kept at a low level and the cumulative impact on area benefited and additional production has been impressive. The financing of the program is aided by a deliberate extraction of urban income from professions and trades. As of 1978, the wage component of the program has been close to 75 percent, which is higher than most works programs in South Asia.

Low completion rates of projects, and some leakage of final benefits to the nonpoor rural population have been problems. With expansion of EGS, its work selection may not turn out the way it has so far. There are other problems too. But these are neither formidable nor unavoidable problems for a program in one prosperous state which has been supporting it with increasing funds--from 5 percent in 1974, about 14 percent of state plan expenditures have been claimed by this program. This is a high level of expenditure, but considering the case for offering guaranteed employment for the rural poor, this may not be considered too high in the long run.

If a state-level program can go ahead with such a program--and it has few parallels--under the auspices of a political authority that has shared the politics of the center as well as of most states in India, why should other rural areas of the country be deprived of it?<sup>52</sup> It is hard to find a convincing answer. The fact is that following the disaster of CSRE, a long gap has intervened before a limited program for inducing employment generation on a national scale was possible. It is true that, since 1977, the special programs like the SFDA, CAD, and DPAP have organizationally expanded and stepped up their employment component. But their clientele

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Table 3.—Maharashtra: Employment Guarantee Scheme (EGS):  
Progress and Pattern\*

<u>I. Expenditure and employment</u>			
Year	Expenditure (Rs. million)	Man-days of employment (million)	Expenditure per man-day (Rs./day)
1974-75	137.2	48.1	2.85
1975-76	344.5	109.5	3.14
1976-77	485.4	133.0	3.65
1977-78 <sup>a</sup>	560.0	160.0	3.50
Trend growth per annum	57.3	38.0	

<u>II. Expenditure by type of work</u>		
Type of work	Percent of total annual expenditure	
	1974-75	1976-77
Irrigation <sup>b</sup>	30.5	53.4
Soil conservation and land development	12.4	30.2
Afforestation	2.3	4.8
Roads	5.9	9.1
Others	—	2.5

\* Data are from the World Bank, 1978, and Government of Maharashtra, Planning Department, 1978.

<sup>a</sup> Estimated.

<sup>b</sup> Mainly minor irrigation and other percolation tanks and other water works.

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is of a different order.

For reaching a relatively larger number of poorer rural population on a nationwide basis, the Food for Work program was initiated in 1977. The accumulating surplus of food stock apparently gave the Janata Party rulers an opportunity to induce the states to design their own works programs on a low-cost basis. The idea is that the center will supply food to the states equivalent in cash value to about a third of the cost of employment projects in their rural areas. The states can use this food for part or whole payment of wages for work commissioned in lean months for creating durable assets. During 1978-79, the joint resources of the center and the states directed to this program are estimated to create 400 million mandays of employment. The program is more concerned with seasonal unemployment of agricultural laborers. Like the EGS, it seeks to induce an integrated set of productive activities. In general, the states have shown keen interest in using this food offer. Even the Communist Party (Marxist) government of West Bengal has eagerly utilized this opportunity (Table 6).<sup>53</sup> But as a nonplan program with its attendant uncertainties, it is doubtful how far it can play a significant nationwide role for planned employment for rural poverty reduction. On the national level, therefore, the prospect of the employment component of a serious design for rural development appears to be unexciting.<sup>54</sup> This is not to say that employment planning of an integrated nature is easy in a country like India where the nature of the unemployment or "unemployments" problem varies from area to area, demanding a heroic effort of an order that is unprecedented in human history.<sup>55</sup> And this is where a flexible and sensitive approach of learning by planning and policy action is called for. The fallibility of planned

Table 6.--Food for Work Program: Reported Progress in India<sup>a</sup>

State	Quantities of foodgrains allocated (metric tons) 1977-78		Quantities of foodgrains released (metric tons)		1978-79 during quarter ending June 1978	Quantities of foodgrains utilized, wheat (metric tons)	Employment generated (man-days) 1977-78
	wheat/milo (1)	1978-79 (2)	1977-78				
			wheat/milo (3)	(4)			
Andhra Pradesh		4,000			1,000	--	n.a.
Assam	7,500	--	--	7,500	--	1,959.40	n.a.
Bihar	30,000	--	200,000	30,000	--	7,735.44	1,476,000
Gujarat	--	--	50,000	--	--	15,000	n.a.
Haryana	--	--	14,000	--	--	2,000	n.a.
Himachal Pradesh	940	--	3,000	940	--	--	n.a.
Karnataka	1,000	1,000	50,000	1,000	1,000	15,000	563.00
Kerala	6,000	--	50,000	6,000	--	10,000	3,760.84
Madhya Pradesh	10,000	--	125,000	10,000	--	31,000	8,780.00
Maharashtra	11,940	450	16,000	11,940	450	--	n.a.
Orissa	30,000	--	200,000	30,000	--	85,000	23,106.18
Punjab	8,000	--	63,000	8,000	--	16,000	297.41
Rajasthan	6,000	--	128,000	6,000	--	45,000	3,928.00
Tripura	--	--	10,000	--	--	2,000	--
Uttar Pradesh	42,000	400	111,000	42,000	400	25,000	32,684.00
West Bengal	51,200	--	205,000	51,200	--	50,000	44,610.00
Mizoram	--	--	1,200	--	--	1,200	--
Total	204,580	1,850	1,230,200	204,580	1,850	373,200	127,424.27
							16,834,288

\* Data are from the Government of India, Ministry of Agriculture and Irrigation, 1978.

<sup>a</sup>As of mid-1978, many reports from state governments were not received by the center. This table presents a rough indication of implementation.

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action, and a sequence of submission of the policymakers'—and scholars' suppositions—to critical tests of gradual action would be considerably more reasonable than indefinitely waiting for definitive studies.

#### Human Resource Promotion

Employment provision through public works can only be of limited effectiveness. It may also be a temporary move. Actually, even assuming that public works programs operating in a desperate situation of rural poverty can be reasonably successful, probably the best point is when they would no longer be needed. Special programs for productive improvement and income generation, of the type we have discussed before are likely to be needed for a longer duration. In fact, integrated plans for productive improvement may extend to the point of making public works programs relatively redundant. In the short period of immediate relevance, their joint operation seems to be indispensable for rural development with a priority assigned to poverty reduction. These special programs, no matter how they progress in a decade or so, will not visibly remedy the inhuman level of existence of a large proportion of the rural poor at the very present moment of their real existence.

The human waste marking the rural poverty situation was never a problem for the policy planners so long as they were convinced that surplus labor does not need much consideration beyond the issue of their eventual absorption through rapid industrialization. As in the case of the myth of income trickling down, the other myth of association between industrialization and absorption has progressively failed to be persuasive.

No wonder, the same rural poor are now increasingly gaining attention—at least in words—as human beings whose basic needs require an urgent

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attention. Thus the human being in the laborer and his family of former and future laboring persons have been gradually separated from the aggregative obsession with the abstract concept of surplus labor, so that the latter has at least graduated into target groups deserving the planners' and the scholars' attention. But the new attention has not yet clarified whether this recognition is a concession to welfare or a belated realization that these human beings—with a little responsiveness from the public authorities—can be turned into crucial productive partners in the journey towards national development. In any case, an increasing number of studies has shown that public investment in the development of human resources by improving their food intake, level of nutrition, family size, shelter situation, education, and even the quality of drinking water can change both the quality of the nation and the economy.<sup>56</sup>

Public programs in India for attending to these minimum requirements for building human resources out of a level of desperate destitution have been relatively recent, though the rhetorical case for it found a place in the Indian plans long before the "basic needs" literature hit the international market. It is mainly during the third phase, i.e., from 1977 to 1979, that a shift towards a relatively greater attention to direct measures for delivering selected services became apparent. These measures are articulated in the Draft Plan for 1978-83. But a beginning was made by the previous plan, i.e., the Fifth Plan. The Revised Minimum Needs Program (RMNP), as described in the new plan, is

intended to fulfill the promise of providing essential infrastructure and social services, which the public sector alone can supply, to the weaker sections of the population, particularly in rural areas. Because of its high construction component it will also create substantial additional employment for unskilled labor...the elementary education, adult education and nutrition program(s) relate to urban as well as rural areas. The program for the environmental improvement of slums relates to urban areas. All other programs are designed to cater only to rural needs.<sup>57</sup>

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In general, the targets set by this program are supposed to be achieved in ten years. About 40 percent of these targets are assumed to be realizable by 1982-83. It also suggests that the drinking water supply program for rural areas should be accomplished in five years. The policy areas covered by this new program and the corresponding public outlay--in million rupees for 1978-83--are as follows: elementary education (9,000), rural roads (8,000), rural water supply (6,750), housing for rural landless households (5,000), rural health (4,900), rural electrification (2,500), adult education (2,000), urban slum area improvement (1,900), and nutrition program, rural and urban (1,745). The total estimated outlay (41,795) comes to less than half of the total earmarked for social service expenditure for the country as a whole. This, of course, does not include the estimated expenditure for family planning. But the impression one gains from an examination of the relative public expenditure is that all these estimates, although higher than the previous plan provisions in absolute terms, are grossly inadequate for a significant attempt to deliver services to the rural poor in India.

However, it is important to note some significant efforts, made in the third phase, to address policy attention in some new directions. The new ruling party at the center and in a majority of the states, in association with its allies in other states, seemed to take their rural constituency more seriously. Though this did not necessarily mean a big shift of commitment to the rural poor as opposed to other segments of the rural population, the new rulers were eager to attend to the problems of rural minimum needs for human existence in a way that marked a departure from the established convention.

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Perhaps, one way to indicate this shift in policy formulation and practice would be to point the emphasis on formulating policy measures in such a way that a minimum integration of complementary activities can be induced. Another way would be to recognize an active search for low-cost delivery systems for basic services to meet selected primary needs of the rural poor. This will involve a brief discussion of the new rural health program pursued during the third phase.

Three decades of developmental planning in India had failed to introduce a health service that would even minimally deliver basic health care for the rural poor. Policymakers and medical pressure groups had made sure that the health services would continue to show an urban orientation, which was defended on the ground of its closeness to the medical systems of modern countries. For the rural poor in India, the system proved to be grossly inappropriate and inaccessible. An evaluative report on the system—known as the Shrivastava committee report—suggested an immediate need for changing the system and turning it to a new direction.<sup>58</sup>

The new strategy, recommended by this report, called for an integrated service covering promotive, preventive, and curative aspects of health services and family planning, mass accessibility, utilization of para-professional resources supplemented by structured referral, promotion of indigenous research, and strong state support for practical implementation.<sup>59</sup> This support had to wait for more than two years. During the Janata phase of government, the recommendations were accepted in 1977, and its basic points were immediately sought to be implemented. The rush for implementation was uncharacteristic of the Indian system of policy planning, and in the process some obvious weak ingredients crept in. But the energetic drive,

for once, indicated to the rural poor what can be done, without severe demand on the national resources, to make the health service accessible and appropriate.

The Rural Health Scheme of 1977 was designed to provide primary health care within the community through specially trained health workers. During 1977-78 more than 700 primary health centers were engaged in training health workers for villages.<sup>60</sup> These modestly paid workers are taught some basic aspects of health sciences, measures for maintaining health, hygiene, treatment of common infectious diseases, first aid, etc. The health worker is expected to be a mediator between a community of about 1,000 people, and the primary health center and multipurpose health workers. His training has been brief but his basic utility has not necessarily been compromised in practice because he is expected to link service of the superior centers to his community, when the need arises. Besides this, there were other programs of rural health, some of which were extensions of the system initiated in the Fifth Plan, pursued during this phase including a program for controlling communicable diseases through centers staffed by trained multipurpose workers.

Like all programs involving mechanisms for delivering service to the rural poor, the initial problem of gaining the confidence of the people to be served at the village level was not unanticipated by the Rural Health Scheme administration. However, one study evaluating the performance of this program in Maharashtra villages indicates that the feeling of having a "doctor" with a medicine chest in their village, was eagerly welcomed by the villagers.<sup>61</sup> Poorer sections of the rural population had nursed a feeling that doctors are for the richer sections. But the enthusiasm of the villagers in having a "doctor," who was also a linkman between them

and the medical personnel at the higher tiers, in many cases encouraged the rural health worker to try to assume this role. However, this evaluation study found that the community health workers were knowledgeable about their limited task. Unfortunately, the two districts studied by this evaluation team had not yet acquired sufficient experience of the new system. For the nation, as a whole, the same problem makes it difficult to evaluate such a recent program.<sup>62</sup>

What stands out from this limited experience is, however, the fact that such a simple system involving a modest investment can offer services which the rural poor need so urgently in a country where health problems are so severe. Investment in preventive health service, even on this modest scale, simply raises the question as to why it took so long for the national policy planners to initiate this type of program? Since inverted priorities have ruled for such a long time, rapid moves to reorder them assume a significance of their own.

The community health program in rural India raises many questions that require a scale of investigation which lies outside the present study. The question that is most pertinent to human resource promotion is one that calls attention to the components of integrated human misery that require a corresponding integrated effort to confront them. A health scheme without an assurance of adequacy of food intake and reasonable reduction of malnutrition, especially among growing children and lactating mothers, is not likely to go far.<sup>63</sup> To raise the food intake, nutrition level, and health level, it would be essential to have appropriate systems of income generation and population planning.<sup>64</sup> Increment in income or output, taken alone, however, would neither ensure the required distribution of food, its interregional

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transfer, or allocation among the graded needs of individuals within a household.<sup>65</sup> Taken in isolation, increased production of food will not assure its availability to those who need it most unless they can pay for it.<sup>66</sup>

It is not hard to see how, for the rural areas in India, all these issues are integrally connected with structural reorganization of the landed asset system. The integrated nature of these crucial components does not admit of disjointed treatment if one really cares for ensuring a human living condition for the distressed segment of humanity in a reasonable sequence of time. That is why it is so important to treat the structural, production-related, employment-oriented, and human resource-related components of designs for rural development together in a manner such that coordinated action can be pursued.

#### Variation in Politics and Transfer of Design

The selective study of the complex case of rural development in India offers one pattern and sequence of response. It is instructive to note how in one setting political authorities have sought to revise the strategy of development and what this revision is likely to yield. If it can be shown that in roughly comparable situations, other authorities have pursued different ways with more or less productive results, then it will be possible to build a case for transferring lessons for mutual and general benefit. A design in evolution, tested in action in one setting thus can aid the construction or adoption of better alternatives or corrective elements in other settings. If lessons generally have a tendency to move slowly from one country to another—unless there is a conspicuous attraction—it may be the responsibility of comparative scholarship to expedite that movement.

This is all the more important because rural demiseration by public enterprise of a scale that is being attempted in recent decades across a large part of the world is surely unprecedented. Conventional theories of development were enchanted with inappropriate history. As in the case of inappropriate technology, such enchantment has only helped transmit wrong designs which cost poor countries dearly. If history is a poor guide for the politics of demiseration, a lateral transfer of lessons may prove to be more useful for choice of action.

A brief comparison of the role of public authorities attempting to pursue designs of rural development in two other poor countries may place the Indian record in a more reasonable perspective. India's failure in generating more effective action has been widely blamed on the weakness of a political authority.<sup>67</sup> Strong states implying strong authorities understandably fascinate a variety of observers. The weakness of the Indian authority system has been traced to the political competition that retards the efficacy of a developmental authority, which needs to get things done with discipline and speed. A soft state, as they say, not merely lags behind, but also drags its citizens downward in a cumulative descent. Perhaps then, the single-minded authority of the type found in the Philippines or a mutated case of political competition as operating in Kenya, may offer different solutions to the problems of demiseration and rural development. These are also countries which do not have the unwieldy diversity and size of India's population and which provide relatively clear slates for letting experts write their designs. For reasons of economy of argument, it will suffice to focus on selected aspects of their strategies. The purpose here is not one of an exhaustive comparison, but rather to seek lessons for

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emulation from selected relevant settings.

Formal political authority in the Philippines is concentrated in the office and the person of President Marcos. The system of political rule is disciplined by martial law. This is a country which had a population size in 1975 that is one-half of Uttar Pradesh which is one of 21 states counted in the Indian census of 1971. The literacy rate of the Philippines is about double that of India (Table 7). It has a per capita national product which is more than two and a half times larger than that of India. Its higher education rate is four times as much as India's (Table 8). Except in population growth rate—its rate is higher than India's—it commands all the advantages that should bring confidence to observers who are interested in prospects of rural demiseration. Of course, the proportion of people falling below the poverty line is considerably smaller—13 percent as against India's 44.5 percent according to the World Bank cutoff point of \$50.<sup>68</sup>

But Philippine society is still heavily dependent on the rural economy. More than half of its labor force is in agriculture and a little less than 70 percent of the people are located in rural areas. During the sixties and the early seventies, however, the living standards of the poorest groups of families in rural areas have declined absolutely. As one ILO study has pointed out, the living standards of the rural poor has declined in spite of rapid overall growth of the rural economy.<sup>69</sup> The impressive gains in output have not been registered in the movement of real wages. As this study observes, the "inevitable conclusion is that the factor share of labor has tended to decline while that of land has tended to increase."

The political authorities, however, had the option of reversing the

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Table 7.—Three Countries: Comparative Socioeconomic Settings\*

	Kenya	Philippines	India
Population (000), 1975	13,350	42,231	608,072
Population growth rate (percent), 1970-75	3.5	2.8	2.1
Adult literacy rate (percent), 1970	30.0	72.0	36.0
Percent labor force in agriculture, 1970 <sup>a</sup>	90.0	56.0	71.0
Percent urban population, 1970	10.0	22.0	20.0
GNP per capita (U.S.S), 1975 <sup>b</sup>	220	380	140

\* Data are from the World Bank, World Tables, 1965 and World Bank Atlas, 1977.

<sup>a</sup> Refers to economically active persons.

<sup>b</sup> Gross national product at market prices.

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Table 3.—Three Countries: Selected Basic Indicators\*

	Kanya	Philippines	India
GNP per capita average annual growth ( <u>percent</u> ), 1960-76	2.6	2.4	1.3
Index of per capita food production (1965-67=100), av. 1974-76	88	108	107
Life expectancy at birth:			
1960	43	49	47
1975	50	58	50
Percent population with access to safe drinking water, 1975	17	40	31
Primary school enrollment as percent of age group:			
1960	47	95	41
1975	109	105	65
Secondary school enrollment as percent of age group:			
1960	2	26	23
1975	13	56	29
Higher education enrollment as percent of age group:			
1960	<sup>3</sup>	13	2
1975	1	20	5

\* Data are from the World Bank, World Development Report, 1978.

<sup>3</sup> Less than half the unit shown.

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trends of rural impoverishment by employing several policy instruments. One move could be a serious attempt to reform land ownership in favor of the rural poor. By 1960, 11.5 percent of farms fall below 1 hectare in size. These farms accounted for 1.6 percent of the land. But 0.3 percent of farms above 50 hectares accounted for 12.2 percent of the land.<sup>70</sup> However, the political system of the country preceding the emergency regime of Marcos had failed to boldly pursue this option—probably because of weak authority due to the nature of competitive politics. It was thus natural to expect that land reform pursued under a martial law system since 1972 should be able to make a big difference.

The Four-Year Development Plan for 1974-77 declared an intention "to improve the standard of living of the great mass of population."<sup>71</sup> Among the crucial steps proposed were agrarian reform, and integrated regional projects, i.e., simultaneous programs involving irrigation, rural electrification, and agrarian reform.<sup>72</sup> What the actual record shows is interesting for several reasons. The pace of land reform, however, was much slower than expected. The Marcos-phase land reforms was marked by attempts to satisfy a variety of competing interests at the same time. If interest conflict was unrepresented in the legislative forums, it did not go away. It worked its way through the administrative system and the authority of the palace lacked a directive ability to force the pace at the desired level. As for appropriate land use—not always related to land ownership—there was an ineffective matching between the system for the transfer of titles with the necessary degree of coordination of irrigation, credit, and technological innovation programs.<sup>73</sup> If the task integration was poor, the shortcomings of the organizational integration were equally apparent.

Three years after the palace issued the land transfer decree, it was found that of all land transfer certificates issued, from 40 to 60 percent had failed to be delivered to their respective tenants. About 30 percent of these pending certificates were believed to be for holdings which were actually exempt from reform while the rest were delayed by administrative lag.<sup>74</sup> The Five Year Development Plan, 1978-82, however, declares that full documentation of land transfer and issuance of certificates of land transfer are targeted for completion by 1980.<sup>75</sup>

The slow pace of implementing structural reform in rural assets indicates that the absence of political competition does not yield a higher directive ability of a political authority. But it also suggests that the intended pattern of response to rural poverty problems might also be responsible for the emerging manner of implementation. Ideological issues are usually avoided in serious scholarly studies of development. But Marcos himself has declared that his system is inspired by a "liberal" revolution which respects private wealth and property.<sup>76</sup> Given this ideological position, it may not be surprising to discover a deliberate preference for those components of design for rural development which do not adversely affect the richer owners of rural assets. The eagerness to promote integrated rural development programs which emphasize income and employment generation and supply management without posing direct threats to the rural rich—both the entrenched and the emerging types—can be understood in this context.

Political authorities in Kenya have adopted a similar direction of policy for rural development. Though very different from the Asian rural systems, Kenyan rural society has encountered problems of rural poverty which have evoked responses that are parallel to what we have just seen.

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In 1970, 90 percent of Kenya's labor force was in agriculture and the population growth rate estimated for 1970-75 was higher than the two Asian countries we have discussed so far (3.5 percent in Kenya compared to 2.1 percent in India). (See Tables 7 and 8 above). Though the proportion of rural population of Kenya is larger than India's, her per capita GNP, by 1975, was considerably higher than in India. The literacy rate in Kenya is rapidly rising.

Kenya's one-party system invests the political rulers with a degree of formal authority which is not very different from the Philippine case. These two systems are equally well-known for their respect for market incentives, individual ownership, and they show a generous receptivity to foreign aid and expert presence in the operation of rural development programs. But the most interesting similarity lies in their shared experience of high growth rate associated with the persistence of rural poverty. In many ways, despite their social difference, the similarity in their statements of priority is striking.

Kenyan agrarian situation is regarded as an interesting example of large-scale land reform in black Africa. It is claimed to be the first case of opting for an individual system of tenure in this part of Africa. But the pattern of reform revealed in settlement schemes in former White Highlands--exemplified by the Million Acre Settlement Scheme--raises different kinds of issues than what one encounters in Asia. The colonial modes of land reform, continued by the Kenyan authorities after independence, led to a middle-class and indigenous affirmation of title over land.<sup>77</sup> The growing problems of landlessness and rural poverty have continued--accompanied by a policy of rewarding the more resourceful.

The new plan for development (1979-83) makes it clear that though Kenya's agricultural output doubled during the last two decades, an unequal process of development has deprived an important proportion of rural families from the benefits of rising income. An explicit policy of poverty alleviation has been proposed. This objective of reducing poverty is mainly to be attained by providing income-earning opportunities in agriculture.<sup>78</sup>

Integrated development of smallholder farming is proposed for the mobilization of small farm resources for food and cash crop production. What makes it so attractive to the Kenyan authority is that the central component of the Integrated Agricultural Development Program (IADP, Kenya) is "a package of highly profitable innovations in crop and livestock production including increased application of inputs and improved technologies appropriate to the small-scale farmers."<sup>79</sup> A series of relevant public-sector organizations would collaborate with the small-farm sector. By 1980, close to 50,000 farmers are expected to benefit from this program of public promotion of private profitability. In fact, a special effort is to be made for specifically reaching those who were missed in the previous smallholder credit programs and other services.

This type of integrated development does not seek to attend to much beyond the production components of rural development. Other coordinated programs to serve "basic needs" are also elaborated in this new exposition of revised strategy. Like the green revolution strategy of the sixties in Asia, the basic appeal of such moves for policy planners is that the programs of action will not call for intervention in the existing status of the prosperous groups in the countryside. For the administrators, the appeal,

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of course, lies in a strengthening of the role in and control of an important part of the agricultural situation. The political prospect of using the new investments from the public sector for patronage and leverage should not also be unattractive for the leading participants in the ruling party.

The attractiveness of the integrated programs is also clearly apparent—and probably for the same reasons as above—in the new plan. But the basic focus of the Philippine integrated programs is on comprehensive area development, rather than directly on small farmers, although small and marginal farmers are expected to be a major group of beneficiaries. The integrated area development strategies in the Philippines are specially interesting because of the wide coverage of different components. For example, the Integrated Rural Development Program (IRDP) seeks to "provide and coordinate complementary inputs of implementing agencies" for inducing "income-generating activities in the rural areas while at the same time creating favorable conditions for marketing goods and services and upgrading the quality of rural human resource."<sup>30</sup> By seeking to integrate the production, employment, infrastructural and human resource—including health and nutrition—components into one comprehensive package, the Philippine program for integrated area development reflects a remarkably different program than what one finds in most developing countries. It is, of course, limited to certain regions and is supported by generous foreign assistance—in finance and expertise.

The choice of an area to be served by this type of area program is based on future potential rather than immediate need of the people of an area. If an area has relatively large areas of unexploited farm land and untapped water resources, it will receive a high priority.

The Bicol River Basin Development Program provides one example of the

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pattern of preferred projects in the Philippines. It began in 1974 as a sectoral project with generous support from USAID and was later expanded into an integrated rural area development project since 1977.<sup>81</sup> At about this time, three other comprehensive area-based programs were being conducted—one with the World Bank and Australian support, and the third with Japanese assistance. Among these, the Bicol, Mindoro, and Cagayan projects were most active at that time. The common feature of these three lies in their evolution from area-wide planning to a smaller level of sub-area focus. The organizational strategy pursued by the Bicol project, to take one example, is to induce several simultaneous activities by a variety of line agencies. For this purpose, area development teams are stationed at each development district. These teams also try to encourage the private sector to undertake activities directed to increasing production and employment in the area concerned. Up to this stage, the program office serves as an overall planning body.

While serving at this level, the program office does not assume the responsibility of integrating activities. It develops integrated projects when they are needed, and at that point, only selected clusters of activity are integrated under single management. Besides the planning function, the program office serves a continuous diplomatic function by keeping the personnel of the national line agencies in a cooperative mood. This is not easy, since although the program office has a full-time staff, it does not have formal administrative responsibility. The field representatives of the national line agencies are not likely to be happy with this arrangement. That the program office is above the interoffice conflict of the normal administrative system, may be a factor in its ability to generate a favorable

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climate of popular opinion in the area. But, this ability also implies a capacity of the office to successfully negotiate with popular groups, local politicians, and thus to evoke the necessary local support.

These are complicated organizational functions which can be ably performed by an autonomous organization like the program office in Bicol due to the support it directly receives from the highest office in the nation, i.e., the President. So long as President Marcos finds these projects spectacular enough to bring him political return in the form of credit to his office, he will be able to assure such organizations of their freedom from the hierarchical control system. The conditions of foreign assistance may also be important in this regard. In fact, without substantial foreign assistance, it is doubtful whether such islands of autonomy can be preserved. The indications concerning prospective reorganization as stated in the new plan documents raise questions that have naturally made the officials of these programs less assured than they were during the formative years of these projects.

Judging by the elegance of design, care in planning, and relative freedom from active interest groups in politics—including the normal hierarchy of the administration in a martial law regime—these programs of integrated rural development may have significant appeal across countries. In particular, since these programs do not immediately affect the ruling coalition of interest in the rural property structure and at the same time ensure the establishment of important channels of subsidy, they may have a wide clientele. Foreign assistance may make their appeal stronger or weaker, depending on the taste of the concerned host country. Because of the wide span of coverage these programs also require a much higher initial

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investment than, for example, the limited scale of integrated projects tried in India, which will not make their design easily transferable. In addition, the lack of political accountability to local and national publics would make them less appropriate in nonauthoritarian settings.

### Conclusion

Political authorities have to make their practical moves from given points in their own setting. It is clear that the turn of the seventies was marked by a set of common programs of action directed to rural development. But the legacy of continuity should not be underestimated either. Though a great deal of eagerness was shown in public declarations regarding the urgency of planning for demiseration, particularly for rural development, the scale of action actually demonstrated in practice did not match the ideal statements. And yet, it will be hard to miss the significance of the new beginnings in policy attention and practice. No one had expected a radical shift of strategy from the conventional practice in gradualist systems. Even the scholars engaged in global exercises on the satisfaction of basic needs realized that their response to worldwide poverty problems should not be confused with the action that can be expected in real political settings.

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The significance of the political recognition of the case for integrated attention to rural development with a specific objective of alleviating poverty may not be adequately comprehended by simply looking at what has been done so far. If the revision of priorities has not necessarily led to corresponding allocation of public resources to accomplish them, in itself the shift of direction may be politically significant. There should, at least, be no reason to doubt that the rural poor are being considered

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increasingly as a valuable political constituency. When Indira Gandhi's party was replaced by the Janata Party in 1977, the latter tried to outbid the Congress Party of that time by trying to establish the new government as a more serious defender of the interest of the rural poor. Later, in the middle of 1979, when the Janata Party lost central power, its successor's main case was that the rural poor needed more concerned attention.

When the poverty issue becomes a matter of political competition, as it has in many cases, it is unlikely that the constituency of the rural poor will be merely left as an object of symbolic compassion. It is possible in a representative system, that every major program directed to the rural poor will bring about a new element of confidence among them regarding their worth in the competitive structure of politics. It is easy to say that the rural constituency of the poor will be too poor to take advantage of such competition. Whatever be the real intention of the present authorities and however small the moves that are made to reach the rural poor, the recent shift of strategy is more likely to strengthen their bargaining power compared to what existed before. There is a cumulative affect of even a partial reaching which may have been underestimated in that part of the literature which suggests that poverty alleviation merely signifies shrewd containment and nothing else. To be sure, this may not be far from true as a description of intent of some authorities. But the action of the authorities normally releases a chain of consequences that are not always governed by their intent.

The reason why we have emphasized the special programs rather than the normal programs of rural development is not because we wanted to ignore the relative allocative weight among the programs. The importance of the special

programs is not confined to the size of the investments they have come to command. Their importance is not even adequately measurable by considering the size of the target groups and their benefits. Rather their greater importance lies in the possibilities of linkage that they gradually forge between them and different levels of the political hierarchy, formal and informal. The Food for Work Program in India has led to different political results in different states depending on the political composition of the state-level authority. In some states, they serve as just another line of subsidy. But in West Bengal, the Communist Party (M) Government has used it as a vehicle of rural mobilization.

In fact, if one considers the state-level politics in India, rather than concentrating on average national trends, it will be apparent that the same systems of public resource investment in rural areas have led to significantly different effects in different states. We have already seen how the Employment Guarantee Scheme in Maharashtra has led to a different economic consequence than that of other employment programs in other states. What needs to be noted is that the political consequence of the EGS and other programs in Maharashtra has been equally interesting. In this state, the leadership—cutting across parties which have been in government—has benefited by channeling urban tax money to serve the rural poor. Why should an urban-based leadership prefer such a move when their counterparts in most states of India are known to do the opposite? If in doing so they are strengthened in politics, why should not they prefer it?

The gradualist political system in India has also demonstrated that backward castes and classes in rural areas, when given a better deal, have provided strong bases of support for political leaders drawn from urban

classes. In the state of Karnataka, land reform, house-site distribution, and a number of subsidy-systems have been deliberately turned in their favor during a new leadership in the early seventies.<sup>83</sup> This concomitant gain of the leadership and the rural poor has been possible when the leadership came from the same party, i.e., Congress Party, which ruled in other states. If a different rural strategy favoring the poor has been possible in state governments under the Congress Party, Communist Party--Congress coalition, and the Communist Party (M)--all operating in the same gradualist system and having a leadership drawn from urban middle classes, it is hard to see why it cannot be intrinsically reproducible in other states in India or elsewhere.<sup>84</sup>

The comparative experience of different impacts on rural poverty among states--and among different phases at the national level as indicated earlier--provides interesting evidence bearing on positive prospects of rural development. Cases from other countries also lend substance to it, particularly if the success of poverty reduction in several Asian countries, mentioned earlier, is taken into account. Political authorities need not lose, if the rural poor gain. There is no compelling reason to believe that, to each leadership coming from a social background, there is only one set of policy decisions that can be expected and that their policies cannot change due to social constraints.

However, even if the interest of the authority is compatible with demiseration, it does not follow that it will find the best design. If the design is well constructed, its practice may be frustrated due to a variety of factors. The common suggestion that the administration is a stumbling block is an oversimplification. In West Bengal, administrative officials

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have switched their loyalties, when they needed to. Officials have supported peasants against landlords when it suited their interest.<sup>85</sup> Officials are known to switch clientele whenever they find it useful.

The important thing to consider in order to understand the prospect of rural development under gradualist rules in a mixed economy is what kind of political conditions can help change the weight of convention in specific historical situations. If one shot transformations are not easily forthcoming, a plurality of modest moves tied together in an integrated manner can represent a major transition. That revolutionary systems do not have an easy answer to poverty problems in the poorest agrarian settings, can be seen in recent cases like Cambodia. The discovery of proper conditions facilitating rural development in gradualist systems is not easy either. When most of the poor countries follow gradualist methods, the task of discovering the political conditions that may facilitate the difficult task of demiseration and rural development may be the most challenging human obligation in the present world.

FOOTNOTES

<sup>1</sup>Among the notable recent exceptions, we can mention Tony Killick, Development Economics in Action, A Study of Economic Policies in Ghana, London: Heinemann, 1978.

<sup>2</sup>We refer here to the type of literature that includes, for example, W. W. Rostow, The Stages of Economic Growth, Cambridge: Cambridge University Press, 1960. Rostow himself reveals the utility and the difficulties of political analysis of historical processes in his later work, Politics and the Stages of Growth, Cambridge: Cambridge University Press, 1971. The need for studying active political processes for understanding growth is spelled out in pp. 2 ff

<sup>3</sup>The importance of real time for policy research is analyzed by James S. Coleman, "Policy Research in the Social Sciences," General Learning Press Series, 1972. As he puts it, "The world of action operates in real time, to use a phrase from computer terminology." (p. 3.)

<sup>4</sup>Some examples would be the strategy-related writings of Lenin, Trotsky, Mao tse-Tung, Antonio Gramsci, and Amilcar Cabral.

<sup>5</sup>When revolutionary socialist regimes pursue their own pattern of gradualism after the consolidation of revolutionary power, their groping for policy sequences turns out to resemble some of the dilemmas of gradualism in nonrevolutionary settings. Anyone familiar with the empirical history of Soviet and Chinese planning will not fail to notice how the literature on power transition fails to aid the understanding of the problems of policy transition.

<sup>6</sup>The original use is elaborated in Paul N. Rosenstein Rodan, "Problems of Industrialization of Eastern and South-Eastern Europe," in Economic Journal,

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June-September, 1943. The arguments of this celebrated essay, setting the early course of development studies, and the critical literature addressed to it are presented in G. M. Meier, Leading Issues in Development Economics, 3rd ed., New York: Oxford University Press, 1976, pp. 632 ff.

<sup>7</sup>Keith Griffin with Ajit Kumar Ghose, "Growth and Impoverishment in the Rural Areas of Asia," in World Development, April/May 1979, p. 369.

<sup>8</sup>Montek S. Ahluwalia, "Rural Poverty in India: 1956/57 to 1973/74," in India: Occasional Papers, World Bank Staff Working Paper No. 279, Washington, D. C., May 1978, p. 14.

<sup>9</sup>Ibid., p. 39. For a critique of these observations see Keith Griffin with Ajit Kumar Ghose, op. cit., pp. 370-372. A major collection of papers presenting important analytical works on poverty is T. N. Srinivasan and P. K. Bardhan, eds., Poverty and Income Distribution in India, Calcutta: Statistical Publishing Company, 1974.

<sup>10</sup>The harmony assumption in theories of development is analyzed in P. A. Yotopoulos and J. B. Nugent, Economics of Development: Empirical Investigations, New York: Harper and Row, 1976, pp. 9-10.

<sup>11</sup>This form is best elaborated in the writings of Keith Griffin and his associates. Besides the paper cited earlier in note 7. see his The Political Economy of Agrarian Change, Cambridge, Mass.: Harvard University Press, 1974 and the ILO study edited by him with A. R. Khan, Poverty and Landlessness in Rural Asia, Geneva: International Labour Office, 1977, especially part 1.

<sup>12</sup>The statements of the hard form are scattered in a variety of sources. One example is Andra Gunder Frank, "Emergence of Permanent Emergency in India," in Economic and Political Weekly, March 12, 1977.

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<sup>13</sup>For a brief discussion of the Janata coalition rule, see Jyotirindra Das Gupta, "The Janata Phase: Reorganization," in Asia Survey, April, 1979, pp. 390-403.

<sup>14</sup>For the sequence of agricultural planning, see Government of India, Ministry of Agriculture and Irrigation, Report of the National Commission on Agriculture, 1976, part XIV, chapter 1, New Delhi, 1976.

<sup>15</sup>That the role of community development programs may have been generally underestimated is suggested by John W. Mellor, The New Economics of Growth: A Strategy for India and the Developing World, Ithaca: Cornell University Press, 1976, p. 30.

<sup>16</sup>The High Yielding Varieties Program was introduced in 1965-66. The story of the late sixties' agricultural production policy and its subsequent continuation has been told in a vast literature, some of which has been clouded by an unfortunate concentration on a distractive term like "green revolution." For reviews of this phase, see Bruce F. Johnston and Peter Kilby, Agriculture and Structural Transformation, New York: Oxford University Press, 1975 and John W. Mellor, The New Economics of Growth: A Strategy for India and the Developing World, Ithaca: Cornell University Press, 1976, pp. 48-75. The social and political consequences are discussed in S. Dasgupta, "India's Green Revolution," in Economic and Political Weekly, Annual Number, February 1977, pp. 241-260.

<sup>17</sup>One example of this type of literature is Francine R. Frankal, India's Green Revolution, Princeton: Princeton University Press, 1971.

<sup>18</sup>See Government of India, Planning Commission, Fourth Five Year Plan, 1969-74, New Delhi, 1970.

<sup>19</sup> World Bank source; cited in Inderjit Singh, Small Farmers and the Landless in South Asia, World Bank Staff Working Paper No. 320, February 1979, p. 143.

<sup>20</sup> Asian Development Bank, Rural Asia: Challenge and Opportunity, Manila, 1977, pp. 52-56.

<sup>21</sup> According to one estimate the proportion of "agriculturists" in Parliament has risen from 14.7% in 1951 to more than 40 % in 1977. To what extent their notion of rural interest converges with the interests of the rural poor is the question. See Marcus Franda, Small is Politics, New Delhi: Wiley Eastern, 1979, p. 1.

<sup>22</sup> The 1979-80 budget proposed a subsidy of Rs.3,810 million on export assistance alone.

<sup>23</sup> See Government of India, Planning Commission, Report of the Task Force on Agrarian Relations, New Delhi, 1973, mimeo. The literature on Indian land reform is extensive. For a survey of the literature and an extensive bibliography, see P. C. Joshi, Land Reforms in India, Bombay: Allied Publishers, 1975. A useful review is Report of the National Commission on Agriculture, 1976, part XV, Agrarian Reforms, New Delhi: Government of India, Ministry of Agriculture and Irrigation, 1976.

<sup>24</sup> See Inderjit Singh, Small Farmers and the Landless in South Asia, World Bank Staff Working Paper No. 32, February 1979, p. 12.

<sup>25</sup> FAO, World Conference on Agrarian Reform and Rural Development: Country Review Paper, draft, Government of India, New Delhi, July 1978, p. 122.

<sup>26</sup> Government of India, Planning Commission, Report of the Task Force on Agrarian Relations, New Delhi, 1973, mimeo, p. 3.

<sup>27</sup> See B. M., "Land Reform: Concealing the Surplus," in Economic and Political Weekly, July 1, 1978, pp. 1051-1052.

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<sup>28</sup>For a study of the developmental record of the Indian emergency regime, see Jyotirindra Das Gupta, "A Season of Caesars," in Asian Survey, April 1978.

<sup>29</sup>The Task Force on Integrated Rural Development, Interim Report on Integrated Agricultural Development Projects in Canal Irrigated Areas, Government of India, Planning Commission, 1973, p. 4.

<sup>30</sup>For ideal interpretations, see Government of India, Draft Fifth Five Year Plan, 1974-79, vol. II, pp. 86-87. However, this section did not appear in the final version of the plan.

<sup>31</sup>The rules of qualification were different in the earlier phase, i.e., during the Fourth Plan. The conversion ratio depends on the land ceiling legislation adopted by the respective states. See Integrated Rural Development: Interim Report of the Working Group on Integrated Rural Development, Government of India, Department of Rural Development, New Delhi, April 1978, p. 3.

<sup>32</sup>For an early account of how these programs actually work, see sample reports in Selections from Workshop Reports on Small Farmers and Landless Agricultural Laborers, FAO, Regional Office, Bangkok, 1974, especially pp. ID-22 ff. and ID-76 ff.

<sup>33</sup>Based on interviews with officials in the Ministry of Agriculture, Government of India, in August 1978.

<sup>34</sup>This is also indicated in Integrated Rural Development: Interim Report of the Working Group on Integrated Rural Development, Government of India, Department of Rural Development, New Delhi, April 1978, p. 2.

<sup>35</sup>This report on evaluation study of small farmers, marginal farmers and agricultural laborers projects was prepared by the Planning Commission

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during 1974-75. Field work for this study was mainly conducted in 1974. This is an internal document.

<sup>36</sup>"Good" rating is awarded when over 50% of target groups are identified. The corresponding figures for "average" is 21% to 50% and for "bad" is 20% or less. These criteria are used by the report mentioned in the previous note.

<sup>37</sup>A brief but illuminating analysis of these tasks is offered in a study for the Overseas Development Institute, London, by Guy Hunter, "Report on a Visit to India, February 1976, Programs for Small and Marginal Farmers," mimeo, 1976.

<sup>38</sup>Caste stratification and its impact on project frustration is more discussed in social analysis than recorded in project evaluation studies. The role of religious leadership in rural areas is rarely noticed in development studies. An interesting exception is J. Bhattacharya, "Inequality and Radical Land Reform: Some Notes from West Bengal," in Asian Survey, July 1979, pp. 718-727.

<sup>39</sup>Based on the Planning Commission evaluation study mentioned before.

<sup>40</sup>The issue of organizational options raises, for example, the question whether a setup like an autonomous corporation with state support may offer a better alternative. Examples in the Indian setting will be the structure of the Agricultural Refinance and Development Corporation (ARDC) and Land Development Corporations.

<sup>41</sup>The CAD program is analyzed in National Commission on Agriculture, 1976 Abridged Report, New Delhi: Ministry of Agriculture and Irrigation, 1977, pp. 200 ff.

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<sup>42</sup>Government of India, Guidelines for Intensive Development of Blocks under the Program for Integrated Rural Development, vol. 1, New Delhi: Department of Rural Development, Ministry of Agriculture and Irrigation, May 1978, p. 2.

<sup>43</sup>Information on Maharashtra CAD is based on official interviews and notes covering events up to August 1978.

<sup>44</sup>The reference is to the Planning Commission study of 1974-75 mentioned before.

<sup>45</sup>Raj Krishna, "The Next Phase in Rural Development," Address, National Seminar on Rural Development, April 28, 1978.

<sup>46</sup>A detailed study of CSRE is offered by the Program Evaluation Organization of the Planning Commission, Government of India, titled "Study of Crash Scheme for Rural Employment (1971-74)," New Delhi, 1978, mimeo.

<sup>47</sup>The figure is 304 million mandays according to a Planning Commission report and 315 million mandays according to the Ministry of Agriculture and Irrigation report.

<sup>48</sup>Information based on survey data collected by the Planning Commission.

<sup>49</sup>The easy access of the ineligibles is noted in A. Sen, Employment, Technology, and Development, New York: Oxford University Press, 1975, p. 138.

<sup>50</sup>For detailed analysis and evaluation of EGS, see Joint Evaluation of Employment Guarantee Scheme of Maharashtra, Bombay: Government of Maharashtra (jointly published with the Planning Commission, New Delhi), October 1977, especially paper II.

<sup>51</sup>Ibid., p. 29.

<sup>52</sup>This issue is perceptively discussed in I. J. Singh, "Rural Works Programs in South Asia: A Note," released as background paper No. 3 of

World Development Report, 1978, The World Bank and included in Inderjit Singh, Small Farmers and the Landless in South Asia, World Bank Staff Working Paper No. 32, February 1979, especially pp. 181-182. He discusses the replication possibilities of EGS and, incidentally of DPAP on a wider scale. See also N. Reynolds and P. Sunder, "Maharashtra's Employment Guarantee Scheme: A Program to Emulate?" in Economic and Political Weekly, July 16, 1977, pp. 1149-1158.

<sup>53</sup>The CPI(M)'s approach to the rural poverty problem in West Bengal is discussed in Bhabani Sen Gupta, CPI-M: Promises, Prospects, Problems, New Delhi: Young Asia, 1979, chapters 5 and 6 and Marcus Franda, "Rural Development, Bangali Marxist Style," American Universities Field Staff Reports No. 15, Asia Series, 1978.

<sup>54</sup>See M. L. Danrvala, "Rural Employment: Facts and Issues," in Economic and Political Weekly, June 23, 1979, especially for his discussion of "unemployments," pp. 1048 ff. A comparative evaluation of public works problems in practice in poor countries is offered in S. J. Burki et al., "Public Works Programs in Developing Countries: A Comparative Analysis," World Bank Staff Working Paper No. 224, 1976. Another interesting comparison is in J. W. Thomas, "Employment Creating Public Works Programs: Observations on Political and Social Dimensions," in E.O. Edwards, ed., Employment in Developing Nations, New York: Columbia University Press, 1974, pp. 297-311.

<sup>55</sup>The similarity between the progress of science and progress of gradualist policy planning is, of course, not a coincidence. For relevant ideas on the former, see K. R. Popper, Objective Knowledge: An Evolutionary Approach, especially pp. 360-361.

<sup>56</sup>Some of these studies have been cited in previous chapters.

<sup>57</sup> Government of India, Planning Commission, Draft Five Year Plan, 1978-83, New Delhi, 1978, p. 106.

<sup>58</sup> Government of India, Health Services and Medical Education: A Program for Immediate Action, Report of the Group on Medical Education and Support Manpower, New Delhi.

<sup>59</sup> Ibid., p. 4.

<sup>60</sup> Information in this section is based on interviews with Health Ministry officials in 1978.

<sup>61</sup> K. Dandekar and V. Bhata, "Maharashtra's Rural Health Services Scheme: An Evaluation," in Economic and Political Weekly, December 16, 1978, especially p. 2052.

<sup>62</sup> For details regarding the evolving experience of health care systems in India, see Indian Council of Medical Research, Alternative Approaches to Health Care, New Delhi, 1977, especially pp. 220 ff.

<sup>63</sup> For a perceptive review of the Indian situation on this point, see Robert Cassen, "India's Human Resources," in India: Occasional Papers, World Bank Staff Working Paper No. 279, 1973, pp. 124-228.

<sup>64</sup> The important issue of family planning and family welfare and problems of integrated treatment of health, nutrition, and population planning are discussed in part III of the present study.

<sup>65</sup> An interesting study of the state level experience of these and related problems is in UN, Unemployment and Poverty Policy, 1976. Popularly known as the K. N. Raj report, this has a revealing account of the distributional aspect and its relation with intake and nutrition.

<sup>66</sup> The impressive food surplus in recent years in India has raised this issue more sharply. Food management policies are reviewed in John Wall,

"Foodgrain Management: Pricing, Procurement, Distribution, Import, and Storage Policy," while consumption policies are reviewed in S. Rautlinger, "The Level of Stability of India's Foodgrain Consumption," in India: Occasional Papers, World Bank Staff Working Paper No. 279, 1978, pp. 43-123.

<sup>67</sup> Gunnar Myrdal's thesis of "soft state" is a classic statement which has been widely disseminated in the literature. Myrdal has elaborated this view in several works including his Asian Drama. A restatement of this notion is in his The Challenge of World Poverty, New York: Vintage Books, 1970, pp. 208-252.

<sup>68</sup> Hollis Chenery et al., Redistribution with Growth, London: Oxford University Press, 1974, p. 12.

<sup>69</sup> A. R. Khan, "Growth and Inequality in the Rural Philippines," in ILO, Poverty and Landlessness in Rural Asia, Geneva, 1977, p. 247.

<sup>70</sup> Ibid., p. 248.

<sup>71</sup> Mahar Mangahas, "Equity Objectives for Development Planning," in Population, Resources, Environment and the Philippine Future, University of the Philippines, School of Economics, September 1977, vol. IV-3A, p. 1032.

<sup>72</sup> Ibid., p. 1034.

<sup>73</sup> See ILO, Sharing in Development, Geneva: ILO, 1974, pp. 746 ff. This is a survey of employment problems in the Philippines.

<sup>74</sup> See World Bank, The Philippines: Priorities and Prospects for Development, World Bank Country Economic Reports, Washington, D. C.: World Bank, 1976, p. 479. Land reform problems are presented in G. T. Castillo, Beyond Manila: Philippine Rural Problems in Perspective, Los Baños: University of the Philippines, vol. 1, December 1977. According to this study, "in the process of implementing land reform, a number of 'internal inequities' other than that of the 'original' one between landlord and tenant emerged."

<sup>75</sup> Five Year Philippine Development Plan, 1978-1982, Manila, 1977, p. 108.

<sup>76</sup> F. Marcos, Today's Revolution: Democracy, published by Marcos from Malacanang Palace, 1971, p. 139.

<sup>77</sup> For a brief discussion of the process of land reform in Kenya, see Russell King, Land Reform: A World Survey, London: Bell, 1977. The political background of polarization is discussed in Colin Leys, Underdevelopment in Kenya, Berkeley: University of California Press, 1975, especially pp. 103 ff.

<sup>78</sup> Kenya, Development Plan, 1979-1983, part 1, pp. 207-208.

<sup>79</sup> Ibid., p. 246.

<sup>80</sup> Five Year Philippine Development Plan: 1978-1982, Manila, 1977, p. 59.

<sup>81</sup> See Joint (GOP/AID) Bicol Evaluation Team, An Evaluation of the Bicol Evaluation Team, Manila, 1977. Many background studies on the Bicol river basin have been prepared by the Social Survey Research Unit of the Bicol River Basin Development Program, of which J. Francis, I. Illo, and Frank Lynch, S.J., "Patterns of Income Distribution and Household Spending in the Bicol River Basin," SSRU Report Series, No. 13, January 1975, is especially useful. Also see Bicol Integrated Rural Development Project, 1977-1981, Manila: USAID, 1976.

<sup>82</sup> This is brought out clearly in Paul Streeten's writings cited earlier. See also Roger D. Hansen, Beyond the North-South Stalemate, New York: McGraw-Hill, 1979, pp. 245-279.

<sup>83</sup> See J. Manor, "Structural Changes in Karnataka Politics," in Economic and Political Weekly, October 29, 1977, pp. 1865-1869.

<sup>84</sup> See G. K. Liatan, "Progressive State Governments," in Economic and Political Weekly, January 6, 1979, pp. 29-39.

<sup>85</sup> See Bhabani Sengupta, CPI(M). Promises, Prospects, Problems, New Delhi: Young Asia, 1979, p. 278 and passim. Positive response of officials may also be forthcoming due to other reasons. See a Kenyan example in G. Hyden, "Administration and Public Policy," in J. D. Barkan and J. J. Okumu, eds., Politics and Public Policy in Kenya and Tanzania, New York: Praeger, 1979, p. 107.

PART III

MINIMUM TASKS FOR PRIMARY HEALTH CARE WORKERS

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## MINIMUM TASKS FOR PRIMARY HEALTH CARE WORKERS

### 1. Primary Health Care

The report of an international conference held at Alma-Ata, USSR in September 1978 contains the following definition of primary health care:

Primary health care is essential health care made universally accessible to individuals and families in the community by means acceptable to them, through their full participation and at a cost that the community and country can afford. It forms an integral part of the country's health system of which it is the nucleus and of the overall social and economic development (1, p. 2).

At the very basis of the system are the primary health care workers, village residents chosen by the community because of their leadership qualities and willingness to serve. The usual situation is that after a brief but intensive period of training, they become able to provide basic services aimed at improving health and nutritional status through effective but yet simple and inexpensive techniques. The workers are almost always a part of the national health network and generally depend upon higher levels for technical supervision and referral of difficult cases. The primary health workers have been called "the outer ring of the national system for extending basic services into unserved or underserved communities" (2, p. 1).

### 2. Objectives

The kind of services provided by the primary health worker will vary widely from country to country depending upon such factors as extent of political commitment to the program, the nature and magnitude of the local problems, the adequacy of resources and the level of training received by

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health personnel. It follows, therefore, that a specific set of tasks, "cookbook style," cannot be recommended for all developing countries or even for all regions within certain countries. On the other hand, enough experiences have accumulated to permit identification of the kinds of activities which primary health workers ought to be concerned with in most situations. These areas are described below and a rationale for their importance is provided. The discussion, it should be pointed out, is limited to traditional public health concerns. In a number of countries, primary health care workers also assume roles in a variety of rural development schemes to increase productivity and employment. These tasks are just as important as health care but need not be the responsibility of the primary health care worker.

### 3. Priority Activities

The discussion of high priority areas has been organized in four general categories: assessment and evaluation, preventive medicine, curative medicine, and specialized services.

#### A. Assessment and evaluation

The primary health care worker is the link between the community and the national health care system. In many situations, the primary health care worker may be the only source of information available to the national health care system about the community's needs and problems. The extent to which support for the community's needs is provided by the national health care system will often depend upon effective transmission of the information, including the persistence of the primary health worker in making these needs known.

The diagnosis of the community's health and nutrition problems and the formulation of a plan of action requires two kinds of data, both of which

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are often collected by the primary health care workers. The first is derived from surveys, formal and informal, of the community's perception of the nature and relative importance of the problems. The second source of information is more technical, dealing with qualitative and/or quantitative data about the problems of the community. Examples of technical information might be: there is a lot of tuberculosis in the community (qualitative), 20 of the 100 children born last year died of diarrhea (quantitative), and so on. Obviously, the quality of the technical information will depend upon the level of training received by the primary health workers. After gathering the necessary data and assessing the relative importance of problems, a consensus about priorities for each specific community should ideally be reached between the primary health care worker, the local health committee, and the health system supervisors. It should be stressed that while general guidelines should be elaborated by the central government for regional areas, actual programs should be tailored to each individual community, incorporating the wishes of the people, the strength and weaknesses of the primary health care workers of the village, and the local realities.

The name given to the primary health care worker in Honduras is "guardián de la salud" or keeper or watchman of health. The name implies that a central duty should be that of surveillance. As the primary health care worker is in direct contact with the people, he can be the first to alert authorities about epidemics or other emergency situations. A joint FAO/UNICEF/WHO expert committee has issued recommendations regarding the kinds of indicators that should be collected for surveillance purposes as well as the information transfer systems adequate for the purpose (3). In Table 1, examples of the types of indicators which primary health care

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workers could collect are presented. The list is far from complete because additional indicators will be desired in various regions for specific problems (i.e., cases of malaria). Though quantitative data are frequently desirable, they may not always be necessary for detecting potential epidemics if the primary health care worker is attentive and vigilant.

Most importantly, the primary health care worker must be capable of demanding and receiving technical advice, supplies, and assistance from the national health care system. The inertia of many systems is formidable and it often takes a determined worker to mobilize resources. Primary health care workers have been known to organize delegations to the capital city to talk to the appropriate government ministries and to newspaper editors when ordinary means and communication channels fail.

Data collection may also be required to evaluate specific program components (i.e., family planning program) or for evaluating the primary health care system in general. In some circumstances, data regularly collected may be the sole requirement for evaluation. When additional data are necessary, care should be taken to keep data gathering to a minimum.

### B. Preventive medicine

The primary health care system should stress disease prevention over curative medicine. Though the virtues of this strategy are obvious, the scope of programs is often limited by lack of funds as substantial investments may be required to implement various components of the program.

Vaccination programs are an effective and relatively inexpensive component of preventive medicine. Relatively safe vaccines against many communicable diseases are available. These include measles, diphtheria, whooping cough, tetanus, smallpox, tuberculosis, cholera, and typhoid. Clearly, vaccination

Table 1.—Surveillance indicators

Phenomenon	Qualitative	Quantitative
Mortality	Unusual number of deaths	Mortality rates in children 1, 2, 3, and 4 years, with emphasis on 1-year-olds
Morbidity	Excess cases of diarrhea, any report of communicable diseases (measles, whooping cough, etc.)	Incidence rates
Nutritional status	More clinical malnutrition than before	Incidence of marasmus, kwashiorkor, etc.
	Many very small babies	Proportion of newborns weighing 2.5 kg or less at birth
	Many more skinny children	Proportion of children with low weight for height (i.e., <80% of reference) or alternatively, if scales are not available, proportion of children with low arm circumference for height (QUAC stick)

packages and strategies will vary by region. The control of epidemics requires that a specified percent of the susceptible population be vaccinated. These are minimum standards. There is certainly no good reason why the goal should not be to provide each child in the village with the prescribed vaccine protection. In some areas, where the community health worker is responsible for keeping an updated census of the population, vaccination plans can be elaborated for each individual child. High coverage rates have also been achieved through periodic vaccination campaigns.

Many infectious diseases are not preventable by vaccine and are, of course, harder to control. Among these, diarrheal diseases stand out as principal causes of morbidity and mortality in developing countries. The lack of adequate water supply systems and sanitation facilities as well as the poor or nonexisting hygienic and sanitation practices are some of the factors that favor the perpetuation of a highly contaminated environment. The local conditions will determine the nature of programs to be implemented. For example, water may be abundant in some areas but not in others. While an effort should be made to carry out the program with local resources, specialized materials (i.e., water pipes, pumps, chlorine, etc.) need to be purchased and this may constitute a limiting factor in many areas. Central to the success of the program in all circumstances, however, is the health education component as made clear by the following example from Guatemala. In a community with a piped intradomiciliary water supply system, only 2 to 4% of the samples obtained from the faucets proved to be contaminated; yet, 36 to 44% of the samples from the domestic containers of the same houses were contaminated (4).

Nutrition education is inseparable from health education. Most

education programs in primary health care are directed at lactating and pregnant women and at young children, the groups usually exhibiting the highest prevalences of malnutrition. The aim of the nutrition education component should be to encourage behavior which maximizes the use of the locally available nutritional resources. This includes such items as encouraging breastfeeding and teaching about weaning mixes and safe preparation techniques, activities which in most cultures are best carried out by female workers. Other activities, sometimes left to male workers, deal with the production, storage, and marketing of foods.

The provision of food to individuals at high risk of serious malnutrition and mortality is an effective but usually expensive preventive action. Costs can be reduced if the program is limited to needy individuals in the community. For example, rather than instituting a program for all pregnant women, the primary health care worker can, through the use of simple techniques, select only those women at high risk of delivering low birth weight (LBW) babies (5). These programs are still bound to be expensive and carry the danger of creating dependency among the very poor. Their implementation therefore should be weighed against other intervention possibilities.

#### C. Curative medicine

The provision of immediate relief from illness symptoms and prompt and effective first aid treatment are among the most important felt needs of people in developing countries. Curative medicine is highly visible and, because people appreciate such services, it is an obvious starting point around which community interest and participation in health matters can be initiated.

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Most of the illnesses which afflict the poor in rural areas require simple treatments. Great advances have been made in devising methods for training primary health care personnel to treat such common problems as diarrheal diseases and respiratory infections and data from numerous projects show that high quality services can be provided if simple and clear protocols or manuals are available, if the supervision is adequate, and if there are appropriate referral mechanisms for difficult cases (6). Oral rehydration techniques including the elaboration of the mixture with water, salt, sugar, and a flavoring agent and the provision of the liquid in small quantities at frequent intervals, are an example of the simple yet highly effective curative procedures currently available. Manuals in various languages and at various levels of difficulty have been developed by many organizations and many countries have already implemented at least some aspects of the program. A recent report has compiled a model list of some 200 essential drugs from which those required in specific local circumstances can be chosen (7).

#### D. Specialized services

Most primary health care systems include a number of specialized services. As alluded earlier, malnutrition and ill health are most common in pregnant and in lactating women and in small children. Consequently, in many areas, it has proven more effective and convenient to combine all aspects related to maternal and child health (MCH) into one unit. Often, a particular person will be designated for MCH services and emphasis is invariably placed upon preventive (i.e., well baby clinic) aspects.

Also included as a specialized service in most areas are family planning programs. The need for such programs is best explained to village residents in terms of the detrimental effects of short interpregnancy intervals on maternal and child health.

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Lastly, programs for controlling chronic diseases of local importance (i.e., malaria, filariasis, etc.) may also be required. Again, protocols and manuals for these are currently available.

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