

5

Of Justice
and
Poverty

Since the early seventies, there is being observed the sudden emergence of a concept called 'Social Justice', being associated with the process of development. National Institute of Community Development (Presently known as National Institute of Rural Development) organised a seminar in November 1973, the theme being 'Development with Social Justice'¹. The Political Institute of Theology and Philosophy, Alwaye, in February 1975 arranged Father Zacharias Lectures focussing on 'Justice and Development in the Indian Context'². From the theoretical aspect John Rawls already published his book on 'Justice'³ in 1972 to be followed by Robert Nozick's one⁴ in 1974 where he dealt at length with his concept of justice in entitlement. Not only at the personal or at a broader perspective of national level a number of discussions, seminars and symposia were held at the international level with the focal point being 'Social Justice' by the different world bodies like FAO, ILO and World Bank.⁵

But what is 'Social Justice' ? May the term be used to denote a situation where the society ensures justice to all its members ? Or is it the connotation attached to the act of a flow of 'justice' from the top echelon of the society to the bottom ? Although the two alternatives seem to mean the same thing at first sight, the differences gets clarified if we delve a bit deep into them. Whereas the first implies a process where the 'society' may be taken to be the nominative case, the second alternative presumes the existence of a hierarchial set up in the society with no such 'justice' being enjoyed by those at the bottom of the pyramid still then when it was decided at the top to ensure that the bottom ones also enjoy justice. This in a

sense signifies a voluntary action on the part of those enjoying the fruits of a social relation in allowing a sizeable amount of that to go down.

However, before we take up a detailed examination of these two alternative concepts of 'Social Justice', we should make our understanding clear as to what we mean by 'Justice'. Going through the pages of a dictionary, 'Justice' means righteousness, i.e., justice ensures that whatever is right is to be done. Philosophers, have tried to give so many definitions of justice. Thus to Plato, "The claim of justice as such, its essence as a moral virtue, is that every man and woman, every class in the State and every faculty in the soul should have their own special work to do. So far as that claim of justice goes, there is no room for dispute about the analogy of professions and arts to handicrafts, and all of them to the spiritual life of men and its organs."⁶

To David Hume, however, "justice is not the interest of the stronger, but the community of sentiment without which even a band of robbers would not hold together".⁷

And to John Rawls, the philosopher of the current era, justice dictates that "all social values -- liberty and opportunity, income and wealth, and the bases of self-respect --- are to be distributed equally unless an unequal distribution of any, or all, of these values is to everyone's advantage. Injustice, then is simply inequalities that are not to the benefit of all".⁸

In order to help an economist to deal with the concept of justice, it is not proper to have the abstract idea of justice.

in mind. An economic analysis is carried on smoothly once we can have a quantifiable idea of justice. That can be obtained following the Rawlsian definition of justice if we accept 'equality' to act as a proxy for 'justice'.

While we attempted to give out the definitions of 'Social Justice' we came upon two alternative propositions. If we consider the enforcement of social justice to be a kind of a social action, then the first definition corresponds to the "naturalist" school of thought that argues against the usefulness of an attempt in search for a motive behind such action. It is stated that "there is nothing about human conduct that would entitle us to conclude *a priori* that it was in any way less lawlike than any other sort of natural process".⁹ Skinner elaborates further giving a clear interpretation of Ayer's thesis, 'to cite either a motive or an intention to explain an action..... must always be ultimately to point likewise connections which are casual in form. The conclusion is that even if we can estimate an action in terms of its conforming to a rule, and even if we need to understand such actions in terms of their social context, these factors affect the agent only as part of his motivation, and give us no grounds for doubting that the action can be sufficiently explained by means of a casual law'.¹⁰ Thus quite clearly the second alternative which argues 'Social Justice' to be an action regarding flow of justice from the top to the bottom of the society-- an action not controlled by nature but by the motives of some individuals conforming to the then social context, corresponds to the anti-naturalist school of argument.

For the purpose of the present study, without going into the argument for accepting it, we take up the second definition of 'Social Justice' that maintains that it is a flow of justice from the top to the bottom of a hierarchical society only guided by the motive of the dominant group of the society conforming to the then social context. And if we are ready to manage with such a definition it simply implies that we also accept that the concept of social justice, or justice so to say, changed with the changes in the social situation over time.

However, the stage is not yet properly set to carry out our exercise. We have to overcome another sizeable obstacle before we can rally start with our search for such linkage. It has already been stated out that, keeping in mind the fancy for quantification on the part of a student of Economics, 'equality' has to be taken as a proxy for 'justice'. (In fact in Greek the word 'equality' means 'justice'.¹¹) Knowing fully well that they two are never identical, we have to accept such a limitation only to help advance the present study to its desired destination. And the irony is that still we have not been able to shrug off all the difficulties. We face the problem regarding the meaning of equality. It is hardly possible to formulate a single universally acceptable idea of equality. While it was required to interpret the American Declaration of Independence regarding the words, "all men are created equal.... they are endowed by their Creator with certain unalienable rights", during the conflict over slavery, Stephen A. Douglas asserted that such pronouncement on equality had been meant to apply only to white Europeans and not to the Negroes, Indians, or Immigrants from

Asia.¹² When Sir Erskine May in his 'History of Democracy' published in 1870 blamed the troubles of France on the agitation for social equality¹³, Mathew Arnold hit back to argue that the trouble with the English was due to the fact that they had subscribed to the 'religion of inequality'¹⁴. So 'equality' which is supposed to be the yardstick of 'justice' for the present study is also observed to be not invariant with respect to social context. Although it seems like posing a problem to the analysis in question, it helps on the other hand establish the linkage between the change in the concept of justice vis-av0s equality and that in the social structure.

So, we can now start with our attempt to trace the different concepts of justice over time in relation to the then social order. However, we have to make one more justification of the exercise that we are going to undertake in the following pages. The trend in the concept of equality vis-a-vis justice that we are going to trace in the context of the present study is confined within the boundary of western Political Philosophy. To justify such an action we may argue that although our area of study is truly Indian, the concept of 'development' that we are trying to apply to our country is completely alien, borrowed from Western Economic Ideals. Even though some may argue that the Gandhian philosophy of gramswaraj is intended to be implemented in India through democratic decentralization, which as a concept is not at all alien, rather purely Indian, considering the recent discussions in the policy prescriptions by the World bodies like FAO, ILO, World Bank and IMF favouring decentralized planning and distributive justice even at the grass root level, the Panchayati

Raj system in today's India can also be termed to be one cast out of the Western mould.

We have already stated out clearly that the aim of this chapter is to link the concept of 'Social Justice' to the then existing social system. Following Marx we can distinguish between three basic social systems that came to existing European soil over the last fifteen hundred years or so. They are: Slave Era, Feudalism and Capitalism. (We have deliberately left out the socialist system of society keeping in mind the domain of the study). To follow the Marxist terminology, the three social systems were different because of the differences in the production relations. "In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of the society, the real foundation, on which arises a legal and political superstructure and to which correspond definite forms of social consciousness .15

As a result, the concept of 'justice' in its application has also to be compatible with the existing social structure. In the present context we may follow an indirect way to such assertion. Accepting the synonymity between justice and equality we would like to trace the trend in the theory of poverty. However, it should be pointed out that our approach has not been that of a systematic understanding of the trend *viv-a-vis* the changes in production relation.

So far as the trends in the theory of poverty is concerned, Bandyopadhyaya (1988) provides a more or less comprehensive chronological review of them ¹⁶. Starting with the explanation of poverty and affluence in terms of the Hindu doctrine of *Karma* he went on to the Christian doctrine that visualized poverty as a part of the general calamity resulting from original sin. However, he argues :

" Like Hinduism and Buddhism, Christianity in the Middle Ages also considered wealth to be an ultimate obstacle to spiritual progress; and even the apparently radical equality of the Christians visualized by such reformers as Saint Francis of Assisi was equality in the midst of mass poverty, pending the salvation of humanity through Jesus Christ."¹⁷

Interestingly, the explanation of poverty in terms of sin is still persistent in the Christian theology, particularly among the Roman Catholic Church. A 1986 document from the Vatican City clearly points out:

" This poverty is the result and consequence of people's sin and natural frailty... . In its various forms, -- material deprivation, unjust oppression, physical and psychological illness, and finally death --- human misery is the obvious sign of the natural condition of weakness in which man finds himself since original sin and the sign of his need for salvation."¹⁷

Setting aside the divine sin Theories of poverty of their ignoring the social, historical and structural causes of poverty Bandyopadhyay takes up a variant of the sin theory in the form of the theory of personal responsibility to follow the chronology. With the spirit of capitalism already in action in Europe, poverty was started to be attributed to "indolence, laziness, unwillingness to work hard and general lack of personal responsibility towards oneself, one's family and society".¹⁷ Baron de Montesquieu understood : " a man is poor not because he has

nothing, but because he does not work " 20

Bandhyopadhyay further argues :

" This theory of fixing the responsibility for individual and collective poverty on a subjective bias of the individual, or in other words, on a personal kind of negative work ethic, also ignores, like the theory of sin which was its foster parent, the socio-historical causes of poverty altogether.....

" At this time, of course, the primary concern of economists and social thinkers, who shared the values generated by the new capitalist structures, was with the 'Wealth of Nations' (Adam Smith) and how this wealth grew through laissez faire and perfect competition. Their concern for pauperism was at best peripheral, prompted by the practical necessity of dealing with what was considered to be a social nuisance, and perhaps to some extent by Christian humanitarianism which paradoxically and hypocritically co-existed with capitalism." 21

But how then to explain the extent of poverty in the colonies, which were later after their liberation from colonialhood rechristened to be the developing countries? The widely accepted theory was in terms of racial superiority. In a bid to rationalize imperialism, 'just at the sin theory and the personal responsibility theory of poverty were ideological camouflages for the exploitative structures of feudalism and capitalism respectively in Europe', the Theory of Racial superiority was generated as an ideological camouflage.

Infact, the myth of racial superiority did not take much time to blow out in the face of the reality. The governments, politicians and academics in the rich countries of the West did realize 'the practical and diplomatic difficulties of openly propogating the racial theory of backwardness in the new international system of the post colonial period' and 'a quest began for non-racial and predominantly economic explanations of mass poverty in the newly independent nations'.

Ragnar Nurkse²² came out with his 'Vicious Circle'

theory to provide theoretical justification for 'foreign aid' and growth of the multinational corporations in the developing countries. Simultaneously, the theory gave rise to the concepts of 'trap', 'big push' and 'balanced growth'. The Rostovian theory²³ did provide the blue print of the future path to development for the developing nations. The Harrod - Domar model of growth²⁴ was prescribed to all concerned as a policy framework in general. Still the problem of poverty could not be done away with.

" The general acceptance of the Vicious Circle and the Stages of Growth Theories by the North-western decision-makers and academics in the 1950s and 1960s, particularly the idea that the LDCs must follow the same pattern of economic development as was experienced by Western Europe, North America and Japan resulted in a flood of literature during this period on the economics of underdevelopment. By and large, the vast literature emphasized capital formation, skill formation, technological progress, population growth, monetary and fiscal reforms and other factors which were responsible for the economic development of the contemporary capitalist DCs ; and Third World decision-makers and scholars, inspired and induced by material fringe benefits received from the North-West, swallowed the developmental models emerging out of this enterprise hook, line and sinker. But by the mid -- 1960s it had become evident that these North-Western theories and models were unlikely to make any significant differences to the mass poverty of the LDCs; and a new quest began in North-West for the discovery of the 'institutional' and cultural obstacles to the economic development of the LDCs."²⁵

Thus spoke Gunnar Myrdal in his 'Asian Drama'.

" The prevailing attitudes and pattern of individual performance and in life at work are from the development point of view deficient in various respects; low level of work discipline, punctuality, and orderliness; superstitious beliefs and irrational outlook; lack of alertness, adaptability, ambition and general readiness for change and experiment; contempt for manual work; submissiveness to authority and exploitation; low aptitude for co-operation; low standards for personal hygiene; and so on. To these attitude should be added unreadiness for deliberate and sustained birth control.....
The national community is also characterized by a number of institutional conditions unfavourable to economic

development: notably a land tenure system detrimental to agricultural advance; undeveloped institutions for enterprise, employment, trade and credit; deficiencies of national consolidation; imperfection in the authority of government agencies; instability and low effectiveness in the national politics; low standards of efficiency and integrity in public administration; ineffective organs for provincial and local self-government; and a weak infrastructure of voluntary organizations --- the institutional conditions which together constitutes these national communities as 'soft states' in our terminology. At the root of all these institutional debilities is a low degree of popular participation and a rigid, inegalitarian social system.

All these institutional deficiencies are closely inter-related. So are attitudes and institutions; attitudes generally support the institutions and at the same time are supported by them.²⁶

As the above argument tends to lead us to the proposition that the IRD approach to wipe out poverty is somewhat a practical application of the Myradalian concepts. There is a clear temptation to be led to such a proposition. Infact, as we shall argue now, that will be the dangerous trap to fall into considering the purely 'subjective tools' in use to arrive at an 'objective conclusion' in this scheme.

So far in our discussion on the theories of poverty we have deliberately kept out the Marxist and the Neo-Marxist dependence theories of poverty. We have also not considered the Lewisian model and its reformations. It is necessary we throw some lights on them. We shall first consider the Marxist theory as Marx conceived of it.

Undoubtedly, Marx was concerned primarily with the misery of the proletariat under industrial capitalism. The appropriation of surplus, their accumulation leading to growth of monopoly and consequent rise in the organic composition of capital followed by the creation of swelling reserve army of

labour were the main tenets of his theory that clearly pointed out the existence of disharmonious relationship between the owners of labour and those of capital. As the state was an instrument in the hands of the capital-controlling bourgeoisie for exploiting and oppressing the proletariat, the latter must not be expected to improve the economic conditions of the toiling masses and break the 'chains of the eternal misery'.

Such a primary concern of Marx for the misery of the proletariat under industrial capitalism does not altogether validate the assertion that he was not aware or conscious of the plights of the colonies. He observed

" These moments of prosperity are to the periods of crisis and stagnation in the correct proportion of 3 to 10. But perhaps also, in speaking of the improvement, the economists were thinking of the millions of workers who had to perish in the East Indies so as to procure for the million and a half workers employed in England in the same industry three years' prosperity out of ten ." ²⁷

For Marx, colonial drain was an external factor and the relation of production an internal factor behind the economic stagnation of the colonies. He was also aware of 'dominance' and 'dependence'. In the 'Manifesto of the Communist Party' he argued :

" Just as it has made the country dependent on the towns, so it has made barbarism and semi barbarism countries dependent on the civilized ones, nations of the peasants on nations of bourgeois, the East on the West. " ²⁸

Marx considered the structural aspects of the pre-capitalist societies in his arguments regarding the Asiatic Mode of Production. He observed that the structure of the asiatic village economy was primarily responsible for the economic stagnation ---- A Marxian version of the vicious circle of

poverty. Unfortunately, the Marxian attempt at concretizing the concept of Asiatic Mode of Production was not very comprehensive and as a result it was not dealt very often by Marx himself. It was upto the later Marxists, popularly the Neo-Marxist to construct their theories of dominance and dependence. Notable among them are Paul Baran²⁹, Paul Sweezy³⁰, Hary Magdoff³¹, Andre Gunder Frank³², Samir Amin³³ and Arghiri Emmanuel³⁴.

The central theme of their scheme argues in terms of the decision of the international economic system in terms of a centre and a periphery: the developed capitalist and the developing pre-capitalist countries respectively. The centre appropriates surplus from the periphery and thus perpetuates poverty stagnation of the latter. This exploitative structure is necessary for the sustenance of the capitalist production relation in the centre.

Let us now drop on to the Lewisian formulation³⁵, an aspect not covered by Bandhyopadhyay quite obviously on the ground that it is not a theory of poverty, i.e., a theory to determine the causes of poverty. Rather it was a theoretical formulation of one among the models that can lead to the sources of capital formation and thereby go for an efficient utilization of the most scarce resource in the context of the developing countries. All the above non-divine theoretical approaches on poverty have in one way or the other pointed to the shortages of capital as the root cause of poverty. And Lewis' model in a unique way shows the way out. According to Lewis, "the extraction of agricultueal resources, i.e. transfer of resources

from agriculture in the traditional sector to industry in the modern urban enclaves, constitutes a necessary condition for the development of the undeveloped societies "36.

Mundale further argues :

" This thesis has been stated most forcefully as a more or less universally valid Law of economic development by Ranis and Fei. Ranis and Fei (1961) in their original model were mainly concerned with the inter-sectoral flow of labour and marketable surplus from agriculture. The internal surpluses generated within industry were recognised as principal sources of accumulation. However, in their later model (1964) they introduced the net transfer of real resources from agriculture to industry as a Central linkage of the development process. Infact they now agreed that it would be the savings of the agricultural sector that constituted the principal source of accumulation during the earlier stages of development, while the internal surpluses of the industrial sector were still very limited "(P 1-2).

However, Mundale hastens to add,

"It should be noted that Lewis himself was somewhat more cautious in this question. Starting from the position that 'the central problem of economic development is to understand the process by which a community which was PREVIOUSLY saving and investing 4 or 5 percent of its national income or less, converts itself into an economy where voluntary savings is running at about 12 to 15 percent of national income or more', Lewis went on to argue that 'the major source of savings is profit, and if we find that savings are increasing as a proportion of national income, we may take it for granted that this is because the share of profits in the national income is increasing' (Lewis, 1954).....

" What is important to note is in this model is that in the general scheme the only transfer from agriculture to industry which is important for the development process is the transfer of surplus labour and not either the transfer of marketed surplus or the net transfer of resources. And the principal source of accumulation is the internal surplus of the industrial surplus of the industrial sector itself. However, Lewis did note the possibility of a special case where the net transfer of resources might become crucial. This is the case where the industrial sector can neither produce its own food nor import it from the rest of the world. In this case the industrial sector would not only draw labour but also marketed surpluses of food from a stagnant agricultural sector. The increasing size of the industrial labour force would inevitably increase the demand for food in this sector and this might shift the terms of trade in favour of agriculture. This would entail a rising

industrial product wage, which would in turn involve a decline in the share of profits in the industry. Under these circumstances specific policy interventions may become necessary to bring about a net transfer of resources from agriculturæ to industry and thus keep the accumulation process going ".....

"[However, it is to be] noted that, except in this special case, Lewis emphasizes only the transfer of surplus labour and not the transfer of resources. There is also a whole class of alternative dualistic models deriving from the works of Jorgenson (1966) which emphasizes the importance of inter-sectoral differences in factor endowments, technology and behavioural parameters rather than the inter-sectoral flows themselves. And most of these models implicitly rule out the possibility of net resource transfers through the changes in the inter-sectoral terms of trade, in assuming balanced inter-sectoral trade.

" Nevertheless, it has to be recognized tha the basic concept of development implicit in the entire range of dualistic models of both the Lewis-Ranis-Fei variety and the Jorgenson variety is the same. This is a concept which essentially identifies development with the process of industrilization, i.e. the development of industry proper as something distinct from agriculture. Here agriculture is only seen as playing the role of a facilitator making available to industry the necessary quantities of labour, markatable surplus, resources for financing investments, and possibly exports for financing the necessary imports (Mellor and Johnston, 1961). So long as we restrict our concept of development to this particular interpretation; i.e. development which is identical to industrilization, and also ignore the problem of demand, the Ranis-Fei emphasis on the importance of resource transfers form agriculture appears to be justified. For it is evident that in an underdeveloped society where the industrial sector is still very small compared to agriculture the accumulation of capital in the former may have to be heavily dependent on resources transfers from the latter in the absence of large scale inflows of capital from abroad."38

Now the stage is somewhat set to have an objective basis for our study. All the non-divine theories of poverty and development that we have discussed above lead us to believe the lack of capital to be the root cause of poverty of a nation. As to why such happens, there remains the difference in opinion.

The theory of personal responsibility, just as a variant of neo-classical approach put the blame on the individuals as if the nation as a whole had nothing to do with

it. The theory of racial superiority put the blame on individual races as if the human race as a body did play no role in such an occurrence. Nurksian version of 'Vicious Circle Theory' did play a major role in rationalizing foreign investments in the developing nations. The theory was accepted and put to use but in to avail. The poor countries became poorer. The traps and pushes could not be reconciled. Rather the net outflow of resources was found to be a positive from the developing to the developed nations.³⁹

Such an observation leads one to accept the Marxist and its modification in the form of Neo-Marxist explanation of the poverty in terms of centre and periphery. The extraction of surplus by the centre in the form of the developed countries from the peripheral developing countries does explain well the poverty of a country. How then to explain the state of poverty alongwith luxurious livings of another group of people within a poor developing country? The same centre-periphery model in the form of Lewisian version comes into existence. The urban centres are exploiting and appropriating surplus from the rural periphery. Mundle provides an insight in his context out of Indian experience.

"... it is useful to divide the period (1951-71) ... into two sub-periods which we may call Period I and Period II. Period I, coming up to say 1965, coincides approximately with the years of the first Five Year Plans. Period II is the period of industrial stagnation from the mid-sixties and onwards. While the reference period for our empirical exercise comes up to 1970-71, the period of industrial stagnation itself actually extends beyond that year.

"During Period I the non-agricultural sector as a whole was growing much faster than agriculture and industrial production proper was actually growing at an increasing rate. Rapid industrial growth during this period was in the first instance facilitated on the demand side by clamping

down of protective trade barriers in the fifties. Protective trade policies now reserved a large part of the existing home market as a captive market for domestic production. The growth of home demand for industrial goods was subsequently restrained by expanding industrial investment itself, especially the large doses of investment in the public sector. The financing of this rapid industrial growth was obviously facilitated on the supply side by the increasing outflow of resources from agriculture, starting in the mid-fifties, which reached a peak of over one thousand crores in 1965-66.

" This drain of a part of the agricultural surplus in Period I, to the extent that it restricted capitalist growth within agriculture, set in motion the development of certain imbalances which were to force down the growth of industrial production in Period II. By 'capitalist growth' within agriculture we mean two distinct though related elements... One is the growth of a particular economic *relation* -- the relation between labour and capital, and the other is the physical growth of output.

" We may(state) that it is with 'differentiation' and the development of the capital-labour relationship in production that production relations are transformed into *commodity relations* mediated through the market. The appearance of commodity production of course precedes the development of *capitalist* production. But it is only with the development of capitalist production that commodity or market relations are generalized and consolidated. It is thus the development of *capitalist* production, the *capitalist* -labour relationship, in agriculture which constitutes the development of a home market in agriculture. Availability of the surplus products for capital accumulation in agriculture is obviously a necessary condition for this development of *capitalist* production -- and hence the growth of home market -- in agriculture.

"It is in this sense that the increasing drain of surplus from agriculture restricted the growth of a home market in agriculture in Period I. But this non-development of an adequate market in agriculture actually became manifest as a major constraint only in Period II when alternative sources of demand expansion started tapering off, thus resulting in a severe constraint which forced down the rate of industrial growth...."

" In the absence of a growing home market in agriculture, the tapering off of consumption and investment demand within non-agriculture amounted to a stagnation of aggregate demand for non-agricultural goods. Period II was thus characterized by a sharply declining rate on non-agricultural output growth."⁴⁰

That such a phenomenon is not particular to India is evident from a study we have already quoted from.⁴¹ The slowing down of the growth of employment is a clear indicator of the

disproportionality crisis encompassing almost the whole of the developing world leading to higher and higher incidence of poverty. And alongside the feeling of deprivation also started to fire up the discontenting attitudes among the poor in the developing countries. And then only came out economists like Myrdal with their healing touch of the institutional theory to provide the subjective analysis of a purely objective phenomenon. The IRD we talk of is also an off-shoot of such an approach to hide the reality.

Thematically IRD is supposed to have the following characteristics.

- 1) It is independent of the socio-economic system prevailing in the concerned country.
- 2) It necessitates the decentralization of decision making process to be achieved at the grass-root level and thereby give encouragement to direct participation of actual beneficiaries in deciding their own destiny.
- 3) It is supposed to usher in a changed socio-economic structure in the concerned country so as to increase manifold the existing and poor level of material productivity in the rural areas, once IRD is implemented and activated in the truest sense of the term. And
- 4) Man is to be the end of development. That is why the benefits are to be given at an individual and at the most at the family level.

A close analysis of the first three characteristics above really leads us to confusion. As per (2) under the existing socio-economic situation, in the absence of IRD it is not

possible to ensure democratic decentralization at the grass-root level. How can one then tag this observation to 'system' independence of IRD ? To elaborate, it seems that the policy planners vis-a-vis imagined of a well existing independence between socio-economic system defined by the objective nature of the process of appropriation of surplus and socio-economic structure formulated by the existing institutional arrangements. And then assumed that the latter can be changed without disturbing the former at all. And it is this assumption in the mind that led them to dream of (3) also.

However, factually out of the Indian experience, such an assumption proves to be completely unrealistic. The evaluation of IRD programmes in India clearly points out (as we shall see in the next chapter) the structural impediments to proper implementation of IRD. That is why such a question has to be raised :

Has not development assistance had only a moderate effect at least in those countries which have remained poor ?

Keeping these observations in mind one may argue that IRD was implented not to alleviate mass poverty in particular. The fourth characteristic, on a careful scrutiny, leads us somewhat to such a conclusion. It clearly reveals the neo-classical doctrine of individual importance, a concept which treats everyone to be equal. Resting on such a premise is it feasible to go for an egalitarian society ? To elaborate, can a theoretical methodology, which as one of its basic premises acknowledges equality among individuals and tries to treat them

equally, help built up a policy for egalitarianism ? The lamentations by the experts on different causes of failure of IRD to eradicate poverty, unfortunately overlooked such proposition.

If the intention was not to usher in egalitarianism, what then may be the real goal ? As we have already observed and shall be examining further, it was implemented probably to serve two basic purposes:

1. Increasing the efficiency in the 'marketing sense' of the rural economies.
2. Sort of appeasing the growing tendency of discontent among the poverty stricken masses.

Let us first take up a brief survey of IRD experiences in India. Such will provide us with the answer to the second research question posed in connection with H3.

Notes

1. See N.I.C.D. (1974)
2. See P.I.T.P. (1975)
3. See Rawls (1972)
4. See Nozick (1974)
5. See FAO and World Bank documents referred to in the references.
6. Quoted in Bonar (1967) P:16
7. Quoted in Bonar op.cit P:38
8. Rawls op. cit. P:62
9. See Ayer (1967) P:121
10. See Skinner (1972) P:139
11. See Vastos (1989)
12. Quoted in Lakoff (1968) P:2
13. Quoted in Lakoff op. cit P:3
14. Quoted in Lakoff op. cit P:3
15. See Marx (1978) P:20
16. See Bandyopadhyaya (1988) Chapter:7 P:235-75
17. Ibid P:235-6
18. "Instruction on Christian Freedom and Liberation",
Liberia Editrice Vaticana, March 1986, P:40, quoted in
Bandyopadhyaya op.cit. P:236
19. See Bandyopadhyaya op.cit. P:237
20. See Montesquieu (1900) Vol:I P:317
21. See Bandyopadhyaya op.cit. P:237-8
22. See Nurkse (1953)
23. See Rostow (1960)

24. See Domar (1967)
25. See Bandyopadhyaya op.cit. P:246
25. See Myrdal (1968) Vol:I P:26
27. See Marx (1978) P:94
28. See Marx and Engels (1955) P:36
29. See Baran (1957) and Baran and Sweezy (1966)
30. See Baran and Sweezy (1966)
31. See Magdoff (1966)
32. See Frank (1969a), (1969b) & (1979)
33. See Amin (1976)
34. See Emmanuel (1972)
35. See Lewis (1954) & (1958)
36. See Mundle (1981) P:1
37. Ibid P:1-2
38. Ibid P:2-5
39. " The public in the industrialized world believes that there is a net flow of money from rich to poor nations to help in the struggle against poverty. Ten years ago that was true - in 1979 a net \$40 billion flowed from the northern hemisphere to the developing nations of the south. Today that flow has been reversed. Taking together loans, aid, and repayments of interest and capital, the southern world is now transferring atleast \$20 billion a year to the northern hemisphere." Delamothe (1989) P:7
40. See Mundle op. cit. P:185-8
41. See Morawetz (1974)