

The Problem of Poverty and the State in Odisha (2000-2010)

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Abstract

Odisha has been one of the poorest state's among the 29 (twenty-nine) states in India. Though the incidence of Poverty has come down from 47.15% in 1999-2000 to 39.90% in 2004-05, still the state remains the poorest state among all the major states in India. Various methodologies have been used for the estimation of poverty and from this we have come to deduce that poverty has declined. There are two important reasons that are responsible for the reduction of poverty. Odisha in recent years has experienced economic growth. There has also been intervention of the state through poverty alleviation measures. We argue in this paper that both the factors have contributed to the decline in poverty.

Keywords: Odisha, Poverty, Poverty Alleviation Measures

1. Introduction

Odisha has been one of the poorest state among the 29 (twenty-nine) states in India. It consists of 30 (thirty) districts. It is generally divided into 3 (three) regions; Northern region, Southern region and the Coastal region. A report of the Planning commission indicates that Odisha continues to be the poorest among all the major states of the country. Though the incidence of Poverty has come down from 47.15% in 1999-2000 to 39.90% in 2004-05, inspite of this Odisha still remains the poorest state among all the major states in India. The percentage of population below the poverty line at the all India level in 2004-05 was 21.8 percent as against 26.1 percent during 1999-2000. Thus what we notice is compared to many other states Rural poverty in Odisha is still very high, even though successive Governments have taken different initiatives to reduce the level of poverty (Government of Orissa, Economic Survey, 2008-09). In the state during 1973-74 the percentage of population below poverty line was 66.18% and it declined to 65.29% in 1983. But in 1977-78 it increased to 70.07%. During the period 1987-88 the percentage of population living below the poverty line was 55.58% and finally it declined to 39.90% in the year 2004-05.

The number and percentage of BPL population for the 61st NSS round (2004-05) based on mixed recall period (MRP) and uniform recall period (URP) for all the states and Union Territories, tells us that poverty has declined by 20.2 percentage points from 57.2 percent in 2004-05 (61st NSS round) to 37.0 percent in 2009-10 (66th NSS round). This clearly indicates that there is a welcome sign in drop in Poverty incidence during 2004-05 to 2009-10 (Government of Odisha, Economic Survey, 2012-13, p.263). The Planning commission has appointed so many committees for poverty estimation. But among the various committees there are 2

(two) committees i.e. Lakdawala Committee formed in 1993 and the Tendulkar Committee constituted in 2005 which are the most important ones. These Committees have estimated the number and percentage of poor.

The estimates of poverty from 1973-74 to 2004-05 are based on Lakadwala Committee Methodology and those for the year 1993-94, 2004-05 and 2009-10 are based on NSS data and Tendulkar Committee Methodology. According to Lakdawala Committee the percentage of population living below the poverty line in Odisha has declined by 19.78 percentage points from 66.18 percent in 1973-74 to 46.40 percent in 2004-05. And the poverty estimates of the Tendulkar Committee for the year 1993-94 was 59.10 percent in comparison to 48.56 percent, as per the Lakdawala Committee Methodology. In the year 2009-10, the percentage of poverty as per the Tendulkar Committee was 37 percent. Hence an analysis of the estimates tells us that from 1993-94 to 2009-10, the percentage of population below the poverty line has declined. It is observed that the Lakdawala Committee used uniform recall period Methodology whereas the Tendulkar Committee used mixed recall period Methodology to find out the poverty ratios in Odisha. The table shows the percentage of population below poverty line in Odisha as compared to other major states in India.

Sl. No.	State	Head Count Ratio (percent)						
		1973-74	1977-78	1983	1987-88	1993-94	2004-05*	2009-10*
1	2	3	4	5	6	7	8	9
1	Andhra Pradesh	48.86	39.31	28.91	25.86	22.19	29.9	21.1
2	Bihar	61.91	61.55	62.22	52.13	54.96	54.4	53.5
3	Gujarat	48.15	41.23	32.79	31.54	24.21	31.8	23.0
4	Haryana	35.36	29.55	21.37	16.54	25.05	24.1	20.1
5	Karnataka	54.47	48.78	38.24	37.53	33.16	33.4	23.6
6	Kerala	59.79	52.22	40.42	31.79	25.43	19.7	12.0
7	Madhya Pradesh	61.7	61.78	49.78	43.07	42.52	48.6	36.7
8	Maharashtra	53.24	55.88	43.44	40.41	36.86	38.1	24.5
9	Odisha	66.18	70.07	65.29	55.58	48.56	57.2	37.0
10	Punjab	28.15	19.27	16.18	13.20	11.77	20.9	15.9
11	Rajasthan	46.14	37.42	34.46	35.15	27.41	34.4	24.8
12	Tamil Nadu	54.94	54.79	51.66	43.39	35.03	28.9	17.1
13	Uttar Pradesh	57.07	49.05	47.07	41.45	40.85	40.9	37.7
14	West Bengal	63.43	60.52	54.85	44.72	35.66	34.3	26.7
	All India	54.88	51.32	44.48	38.36	35.97	37.2	29.8

Based on MRP consumption of Tendulkar Committee Methodology (GOO, Economic Survey 2012-13, pp.265)

Given below is another table which shows the poverty lines and poverty Head count ratio using the Tendulkar Methodology and Lakdawala Methodology for the year 1993-94, 2004-05 and 2009-10 (GOO, Economic Survey, 2012-13, Odisha, Feb, 2013, p.263).

Committee	Methodology	Year	Rural	Urban	Combined
LAKDAWALA	URP	1993-04	49.72	41.64	48.56
		2004-05	46.80	44.30	46.40
TENDULKAR	MRP	1993-94	63.00	34.50	59.10
		2004-05	60.80	37.60	57.20
		2009-10	39.20	25.90	37.00

The incidence of poverty has declined during 2004-05 to 2009-10. There has been a significant or sharp decline in poverty from 57.20% in 2004-05 to 27% in 2009-10. Odisha still has a high incidence of poverty and the proportion is much higher than the national average. Still as noted earlier as per the report of the Planning Commission and also to other reports poverty ratio has declined in the State. There are several reasons that can be attributed for this decline. Two important reasons for the decline of poverty can be, first there is economic growth in Odisha in more recent times and second it is due to the adoption and implementation of several types of poverty alleviation programmes or measures. To improve the economic condition of the rural and urban poor, the Central Government as well as the State Government has adopted several poverty alleviation measures. Both the factors could have contributed to the decline in the incidence of poverty. We discuss below the rate of economic growth in Odisha then turn to examine the poverty alleviation measures that have been adopted in the state and how far the measures have been successful in its desired effect.

Though poverty has declined in all the NSS Regions of the state but the extent of poverty in Southern and Northern Regions of Odisha is still high. According to Haan and Dubey (2003) though rural poverty in the Coastal and Northern Regions has declined but in the Southern Region the incidence of rural poverty has increased from 80.76% in 1983 to 86.16% in 1999-2000 (Shah, 2010, p.6). This is to some extent because the State has witnessed wide Regional and Social disparities in development more particularly economic growth. The development of all the Regions did not go hand-in-hand or simultaneously. According to NSS data, the Coastal Region has the lowest incidence of poverty while the incidence of poverty is the highest in the Southern and Northern Regions. During the early 1980s poverty in the Southern Region increased (Amit Shah, ODI working paper 325, 2010). From the analysis of NSS data, it is seen that the incidence of poverty has experienced a large fall from 45 percent in 1993-94 to 27 percent in 2004-05 in the Coastal Region. But in the Southern Region it increased by 4 percentage points from 68.8 percent in 1993-94 to 72.7 percent in 2004-05 and the Northern Region has also witnessed the biggest rise in the incidence of rural poverty by 13

percentage point from 46 percent in 1993-94 to 59 percent in 2004-05. Among the three regions, the percentage of poverty is higher in the Southern region than the Northern and Coastal Region. In the Southern region, the very bad condition that prevails is in Koraput (undivided district), where 92% of people lived below the poverty line (Panda, 2004:14). Poverty is chronic in this region. Thus in the Coastal region, the poverty ratio has declined, whereas in the Northern region and in the Southern region it has increased.

2. Odisha's Economy

We have argued in the previous section that there has been a decline in poverty in Odisha in the recent period even though Odisha remains one of the poorest states among all the major states in the country. The incidence of poverty has come down from 57.2 percent to 37 percent during the period 2004-05 to 2009-10. Several reasons can be attributed for this reduction in the rate of poverty. This has been possible because Odisha in recent years has experienced economic growth and this is likely to have affected different sections of the population in a positive manner. It must also be because of the intervention of the state through poverty alleviation measures. Let us first in this section turn to the story of economic growth in Odisha.

Odisha's economy has been classified into three categories which are; agriculture, industry and services. If we compare the Indian economy with the economy of Odisha, we find the economy of Odisha is more agricultural less industrial and less service oriented. But now in the recent period high growth have taken place in the industrial sector followed by the service sector and the agricultural sector. The growth rate in the agricultural sector has fluctuated over the years, due to natural calamities such as cyclones, draughts and floods. But the high growth in Odisha happens to be in the industrial sector. Odisha's industry is mineral based.

Let us first start our discussion of the Odisha's economy with the agricultural sector since it is this sector on which Odisha's economy largely depends. A large percentage of people depend on agriculture. Agriculture provided direct and indirect employment opportunities to around 64 percent of the total work force of the state as per the 1991 census. Agriculture and allied sectors contribute less than 30% towards the state's Gross Domestic Product and Agriculture and Animal Husbandry contributed 28.68 percent of the Net State Domestic Product of the State in 1997-98. The production therefore is low. It is generally held that low productivity in agriculture is because of the predominance of traditional agricultural practices, inadequate capital formation and low investment, inadequate irrigation facilities and because of the uneconomic size of the holdings.

Keeping the importance of agriculture in mind the State Government formulated a comprehensive Agricultural Policy in 1996. The main aim of this policy was to double the production of food grains and oil seeds, generation of adequate employment opportunities in the rural sector and to adopt agriculture as the main

route for eradication of poverty. It stated its main objectives as: to give importance on agriculture so that young persons can accept agriculture as a means of Self Employment, to generate adequate employment opportunities, to create skilled labourer's for management of modern agriculture, to help mechanization of agriculture to increase productivity, to increase area under tea, coffee, rubber, cashew and other plantation crops, to take up extensive training in the field of agriculture and related activities, to reorient agriculture towards export (GOO, Economic Survey, 2000-2001, p.4/2).

Despite of all this effort the growth in the agricultural sector declined due to super cyclone which hit Odisha in October, 1999. Agriculture and Animal Husbandry contributed 32.88 percent of the Net State Domestic Product of the State in 1999-2000. It contributed 28.13 percent to the Net State Domestic Product of the State in 2001-02. It contributed 22.09% of the Net State Domestic Product to the State in 2002-03 at 1993-94 prices.

Production of food grains in the State has also fluctuated over the years. In 1991-92 there was a bumper harvest of production of food grains. It was 72.3 lac tones. But during 1992-93, the production of food grains was very low. It was just 59.6 lac tones which was 17.56% less than the production during 1991-92 (GOO, Economic Survey, 2000-01, p.1/4). In 1993-94, the food grain production was 72.2 lac tones which were just below the level of Production in 1991-92. But production continuously declined during the next three years. In 1994-95, the production of food grains declined to 69.0 lac tones due to unfavourable weather conditions. It further declined to 67.8 lac tones in 1995-96. In 1996-97, low production was recorded; it was just 48.1 lac tones. During 1997-98 and 1998-99, production was 66.1 lac tones and 57.9 lac tones respectively. But during 1999-2000, the production of food grains was seriously affected by the cyclones which hit the 14 fertile coastal districts of the State in October, 1999. This cyclonic storm devastated four coastal districts of Odisha, namely Ganjam, Gajapati, Puri and Khurda. The economy of the State suffered a lot. As a result the Development of the State was seriously affected (Govt. of Odisha, Economic Survey, 1999-2000, p.1/13).

Food grain production declined to a very low level of 49.75 lac MT in 2000-2001 due to draught situation. Though it had taken a long time to come back to the earlier stage, but during 2001-02 there was a record production of good grains of 75.40 lac MT as a result of bumper production of rice. Again it declined to a very low level of 35.55 lac MT on account of severe draught in the State during Kharif, 2002 (Govt. of Odisha, Economic Survey, 2003-04, p.4/3). Due to increase in population, the State's per capita availability of cultivated land which was 0.39 hectare in 1950-51 declined to 0.17 hectare in 1999-2000 and in 2002-03, it declined to 0.16 hectare (Govt. of Orissa, Economic Survey 2000-01, p.1/5, 2003-04, p.1/6).

Let us now turn to Industry in the state. The State placed an important position on industries because of various reasons. The reasons are availability of vast mineral resources, abundance of raw materials and comfortable power situation. There are many important industries which were set up in the State during the different plan periods i.e. Rourkela Steel Plant, National Aluminum Company (NALCO) Indian Charge Chrome Ltd., Paradeep Phosphate and Coal based power plants at Talcher, Kaniha and Banharpali. The State has various large and medium industries and there are three nodal agencies which are engaged in promoting these industries (GOO, Economic Survey, 2003-04, pp. 1/11). The three nodal agencies are Industrial promotion and Investment Corporation Ltd. (IPICOL), Industrial Development Corporation Ltd. (IDICOL) and Odisha State Electronics Development Corporation (OSED) etc. By the end of 1998-99, Odisha had 334 large and medium industries with an investment of Rs.1, 841.99crore and employment potential for 81,188 persons (Government of Odisha, Economic Survey, 1999-2000, p.1/9). In the same way during the year 1999-2000, the State had 339 large and medium industries with an investment of Rs. 1,880.36 crore and employment potential for 82,533 persons. Similarly by the end of 2002-03 Odisha had 358 large and medium industries with an investment of Rs.3, 584.71crore and employment potential for 85,777 persons (Government of Odisha, Economic Survey, 2003-04, p.1/11).

To improve the industrial sector, the State Government reformulated its industrial policy in March, 1996. The emphasis of the policy were as follows: harnessing Orissa's vast natural resources and the potential for accelerated industrial growth consistent with the protection of environment; attracting and facilitating large investment in infrastructure and industries both from within the country and abroad; generating employment on a large scale in industrial/ commercial activities; development of backward areas/regions of the State through industrial/mining ventures, stimulating and strengthening local entrepreneurial base/talent, development of Skills/ expertise etc. (Government of Odisha, Economic Survey,1999-2000, p. 9/1).

The State Government later on reformulated the industrial policy in December, 2001. The main objectives of Industrial Policy, 2001 are: to create a business climate conducive to accelerate investment in industry and infrastructure projects, to raise income, employment and economic growth in the State, to reduce regional disparities in economic development, to balance utilization of the natural resources for sustainable development. To fulfill the above objectives the state Government aimed to: encourage private initiative and restrict Government intervention in such areas where it enjoys a distinct comparative advantage; invite Private Investment for development and operation of quality infrastructure; promote the image of Odisha as an attractive destination for investment and tourism; encourage the creation of small scale industries (SSI) clusters in similar lines of business (Government of Odisha, Economic Survey, 2003-04, p. 9/1).

During 1999-2000, four large and medium industries have been set up with an investment of Rs.10.54 crore and employment for 968 persons. Nine large and medium industries has been set up earlier namely – Hindustan Aeronautics Ltd. unit at Sunabada, Rourkela Steel Plant at Rourkela, Indian Rare Earth Ltd at Chhatrapur, Carriage Repair Work Shop at Anugul, Fertilizer Corporation of India (FCI) Units at Talcher, Heavy Water Project at Talcher, National Aluminium Company units at Angul and Damanjodi and Paradeep Phosphate Ltd at Paradeep have been set up in the State in the Central Sector. These are the Units which were set up prior to 1990-91(Government of Odisha, Economic Survey, 2000-2001, p.9/3). As a result the contributions of manufacturing sector in NSDP have been going up over the years. The net value added by manufacture in the State at constant (1980-81) prices was Rs.358.14 crore in 1980-81 which went up to Rs.726.99 crore in 1997-98. The share of the manufacturing sector in the NSDP was 10.40% in 1980-81; 11.20% in 1990-91; 7.37% in 1993-94; 5.31% in 1997-98; 4.57% in 1998-99; 4.30% in 1999-2000 and 7.88% in 2002-03 (Government of Odisha, Economic Survey, 2003-04, p.9/2).

For rapid industrialization in the State, emphasis was given and is being laid on infrastructure development. It has been realized that economic growth depends on infrastructural development. Adequacy of infrastructure in the transport and communication sector is crucial for attracting investment. The Industrial Policy, 1996 accorded special priority to infrastructural development so that more and more funds will be used for large investments in the industrial sector. Development of transportation infrastructure is also important for marketing of agricultural products and enabling the farmers to get a fair price.

It is very much important to improve the quality of life and economic conditions in rural areas in every village. To develop the agricultural condition, rural connectivity is necessary. Improvement of the rural economy is important and for that the State Government has accorded high priority to the development of rural connectivity. According to estimates available with the Planning Commission, about 40% of villages in Odisha have all weather connectivity as compared to 60% at the national level. During 2000-01, the state realized that funds are necessary for development of Rural Roads and Bridges. Rural connectivity has been given highest priority within the Pradhan Mantri Gramodaya Yojana and Rs.175.00 crore has been earmarked for the purpose. The State Highways, Major District Roads and other District Roads have been constructed and maintained by the Works Department of the Government of Odisha. It also maintains 2,752 km of National Highway and 30 km of Express Highway on behalf of the Government of India (Government of Orissa, Economic Survey, 2000-2001, p.12/2).

The Central Sponsored Scheme i.e. Pradhan Mantri Gram Sadak Yojana (PMGSY) has been implemented in the State. During 2000-01, Government of India sanctioned an amount of Rs.179.70 crore under this scheme for construction/improvement of 574 roads (GOO, Economic Survey, 2003-04). The State

Government proposed to implement various projects to improve the road communication between the State Capital and north-western Districts of the State. There is another project i.e. Bhubaneswar Integrated Road Net Work Project (BIRNWP) on Build Operate Transfer (BOT) basis with an estimated cost of Rs.170 crore has been implemented to remove congestion on NH 5 in the vicinity of Bhubaneswar (GOO, Economic Survey, 1999-2000, 12/3).

The contribution of the tertiary sector i.e. transport, communication, trade, storage etc. to the Net State Domestic Product of Odisha at Factor cost at 1993-94 prices was 17.97 (Economic Survey 2003-04). The contribution of the tertiary sector i.e. Transport, communication, trade, storage etc. to the Net State Domestic Product of Odisha at Factor Cost of 1993-94 prices was 17.97 (Government of Orissa, Economic Survey 2003-04).

The Gross State Domestic Product (GSDP) of India increased from Rs. 18,612.73 crore in 1993-94 to Rs. 23,417.98 crore in 1998-99 at 1993-94 prices, showing a compound annual growth rate of 4.70% over the period (Govt. of Orissa, Economic Survey, 1999-2000, p.1/4). The Net State Domestic Product (NSDP) commonly known as State Income increased from Rs.15, 861.30crore in 1993-94 to Rs. 19,329.31 crore (Quick estimate) in 1999-2000 at 1993-94 prices. The increase in NSDP in 1999-2000 over the corresponding figure for 1993-94 is mainly attributable to the increase in SDP of Tertiary Sector as well as Finance and Service/ Sector (Govt. of Orissa, Economic Survey, 2000-01, p.1/4).

The Gross State Domestic Product (GSDP) at constant prices (1993-94) of Odisha has increased from Rs. 18,536.66 crore in 1993-94 to Rs. 25,539.01 crore (Quick estimate) in 2002-03, registering an annual compound growth rate of 3.62 percent over the period. The Net State Domestic Product (NSDP) commonly known as State Income increased from Rs.16, 184.88crore in 1993-94 to Rs. 21,861.91crore (Quick estimate) in 2002-03 at 1993-94 prices. During 1999-2000 the GSDP at constant (1999-2000) price of Orissa has increased from Rs.42, 909.62 crore to Rs. 73,542.26 crore (as per the advance estimate) in 2007-08 registering an annual compound growth rate of 6.97 per cent over the period. It has been found that the growth rates of the agriculture sector are not always the same followed by industry and then services. It is because of natural calamities such as cyclones, droughts and floods which Orissa faced frequently. As a result the agricultural sector was badly affected. During 2008-2009 the growth rate of agriculture has remained low whereas the industrial sector has shown a tremendous growth (GOO, Economic Survey, 2009-2010, p.14).

3. The Programmes

We have stated earlier that the decline in poverty ratio can be attributed also to the implementation of poverty alleviation programmes. Hence let us look at the programmes in this section. There are several programmes that were implemented and are being implemented like the Swarnajayanti Gram Swarojgar Yojana

(SGSY), Sampoorna Gramin Rojgar Yojana, Rehabilitation of Bonded Labourer's, Drought Prone Area Programme (DPAP), Swarna Jayanti Sahari Rojgar Yojana (SJSRY) several housing programmes etc. We will discuss some of these programmes of poverty alleviation.

3.1 Gram Swarojgar Yojana (SGSY)

The scheme named 'Swarnajayanti Gram Swarojgar Yojana' came into existence on 1st April, 1999. It is a centrally sponsored scheme and it is jointly funded by the Govt. of India and the State Government in the ratio of 75:25. There are various programmes which were in operation in the rural areas till the end of 1998-99, they were Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Area (DWCRA); Training of Rural Youth for Self Employment (TRYSE); Supply of Improved Toolkits to Rural Artisan's(SITRA), Ganga Kalyan Yojana (GKY) and Million Well Scheme (MWS) etc. These programmes it was realized were not sufficient to remove the poverty level in Odisha in a coherent manner. For this reason these programmes were merged into a single scheme called 'Swarnajayanti Gram Swarojgar Yojana'.

Its objective is to bring the assisted poor families (Swarozgaries) above the poverty line by ensuring appreciable sustained level of income over a period of time i.e. increasing the income level of families (Swarozgaries) above the poverty line (with income of Rs. 2,000/- p.m. in three years by providing them income generating assets through a mix bank credit and Govt. subsidy (Govt. of India, Ministry of Rural Development and Economic Survey, 2008-09, Government of Odisha, p.8/4).

The Scheme helps the rural poor through the Self Help Groups (SHGs). It emphasizes skill development through well designed training courses. It also provides for marketing of the goods produced by the Swarnajayanti Gram Swarojgar Yojana Swarozgaries. It gives importance on the vulnerable groups among the rural poor. During the 2003-04, its target was to assist 54,348 Swarozgaries, but it has assisted 59,289 Swarozgaries. During 2006-07, 68,687 Swarozgaries have been assisted under Swarnajayanti Gram Swarojgar Yojana scheme against the target of 66,250 Swarozgaries in Odisha. During 2007-08, the target of SGSY programme was to assist 81,656 Swarozgaries but it has succeeded to assist 87,171 swarozgaries under the scheme which showing an achievement of 107 per cent(Government of Odisha, Economic Survey, 2007-08, p,8/4).The State Government has encouraged self-help groups (SHGs) and it has described it as an important tool for removal of poverty particularly for women living below the poverty line. The Swarnajayanti Gram Swarojgar Yojana mainly concentrates on those exploited groups in the rural areas who have been deprived. In the 2000-01 Economic Survey we find that the Swarnajayanti Gram Swarojgar Yojana wasto cover at least 50% beneficiaries who belong to the Scheduled Castes and Scheduled Tribes etc.

In October, 1999 Odisha had faced a critical situation, a Super Cyclone had devastated the rural economy in 14 districts. The worst hit districts were Ganjam and Gajapati districts. In these 2 districts and also other coastal districts the economic condition of the people was terrible. To tackle this situation, a number of individual oriented schemes were implemented in these districts. For this reason the total expenditure during 2000-01 upto 04.11.2000 under Swarnajayanti Gram Swarozgar Yojana was Rs.6.84 crore (Govt. of India, Economic Survey, 2000-01). In the Gajapati district the percentage of women Swarozgaries was 67% and 5% in the Nawarangpur district.

3.2 Sampoorna Gramin Rojgar Yojana

Lack of employment is one of the main reasons for rural poverty. The Sampoorna Gramin Rojgar Yojana came into existence with effect from 25th September, 2001 for the reduction of unemployment in rural areas. The two wage employment generating schemes, namely JGSY (the Jawahar Gram Samiridhi Yojana) and EAS (Employment Assurance Scheme) have merged with Sampoorna Gramin Rojgar Yojana scheme which is a centrally sponsored scheme with funding pattern of 75:25 of the cash component between the Central and the State. The main aim of this programme is to provide additional wage employment in all rural areas and thereby provide food security and improve nutritional levels. There is another objective of this programme i.e. the creation of durable community, social and economic assets and infrastructural development in rural areas. Its programme strategy is 5% of the fund and food grains under the Sampoorna Gramin Rojgar Yojana will be kept in the Ministry for usage in the rural areas affected by Super Cyclone and flood affected.

During 2006-07, the Scheme was used in 11 (eleven) districts; Angul, Balasore, Baragarh, Bhadrak, Cuttack, Jagatsinghpur, Jajpur, Kendrapara, Khurda, Nayagarh and Puri. In 2006-07, the target of man day's employment was 183.60 lac but it created 183.61 lac man days employment. The expenditure in these circumstances was Rs.132.23 crore and it showed 100% achievement (Government of Odisha, Economic Survey, 2007-08, p. 8/5). During 2007-08, the scheme was used in 6 districts i.e. Cuttack, Jagat Singhpur, Kendrapara, Khurda, Nayagarh and Puri. In 2007-08, the target of man day's employment was 88.27 lac but it created 74.17 lac man days employment. The total expenditure in this field was Rs.68.65 crore and it showed an achievement of 84%. When Odisha was in a bad condition, the programme helped the rural landless agricultural labourers through the supply of food grains (Government of Odisha, Economic Survey, 2008-09, p.8/6).

Though Sampoorna Gramin Rojgar Yojana programme emphasizes or lays stress on wage employment and food security to poor rural wage seekers, the Government however have given more emphasis on development of village infrastructure like market complexes, village roads with drains and improvement of village water bodies under the title of 'Bazar', Sadak and Pani' (Government of Odisha, Economic Survey, 2008-09, p8/6).

3.3. Biju Gramin Bazar Yojana (BGBY)

Biju Gramin Bazar Yojana has been launched during 2003-04. It creates self-employment through the development of village structure 3,378 shopping complexes have been constructed during 2003-04. During 2004-05, it has been planned to build 15,700 shopping complexes and 314 model tanks/ ponds.

3.4. Gopabandhu Gramin Yojana (GGY)

Gopabandhu Gramin Yojana is a new scheme, which had been launched by the State Government during 2006-07. It provides additional development assistance to the targeted 11 (eleven) districts. They are – Angul, Balasore, Jagat Singhpur, Kendrapara, Khurda, Nayagarh and Puri.

The Main objective of the scheme is to provide additional development funds. It also provides infrastructure facilities like, Bijli, Sadak and Pani to the targeted districts and every revenue village in the identified eleven districts. Government has allotted Rs.10.00 crore per annum for a period of 6 (six) years i.e. from 2006-07 to 2011-12. It has been increased from Rs.10.00 crore to Rs.15.00 crore per district effective from the year 2008-09. Panchayat Raj Department has played an important role for the purpose of administration of the Gopabandhu Gramin Yojana.

Odisha Rural Housing Development Corporation has allotted an amount of Rs.646.59 crore in favour of 1,62,458 cases under different schemes. After 2006-07 no proposal has been sanctioned (Government of Orissa, Economic Survey, 2007-08, p. 8/14).

4. Housing

Like food, cloth, housing is one of the basic necessities for human survival. A house is very important for any normal citizen, because it gives economic security and dignity to a citizen in Society. There are some problems for some of the people who do not get any support to build houses. For this reason the Central Government announced a National Housing and Habitat Policy and its objective is to provide 'Housing for all' by the end of the Tenth Plan period. The scheme was meant for people in the rural and urban areas, people who live below poverty line. In the rural areas the Housing scheme is implemented by Panchayat Raj Development and in the urban areas the Housing schemes are implemented by Housing and Urban Development Department. Now let us turn to these programmes.

4.1 Rural Housing Programme

There are various programmes which are being implemented in the rural areas, like Indira Awas Yojana Normal and Upgraded and PMGY etc.

Indira Awas Yojana (Normal)

Indira Awas Yojana Scheme was launched during 1985-86 as a sub-scheme of RLEGP, IAY and its sub-scheme was Jawahar Rojgar Yojana (JRY). It is a

centrally sponsored scheme funded on cost sharing basis between the Government of India and the State in the ratio of 75:25. The objective of the Indira Awas Yojana is primarily to help construction/ up gradation of dwelling units of members of Scheduled Castes/ Scheduled Tribes, Freed bonded labourers, minorities in the below poverty line category and other below poverty line non SC/ ST rural house-holds by providing them a lump sum financial assistance. The beneficiaries under this scheme are selected by Gram Sabha/ Palli Sabha and houses are constructed by the beneficiaries themselves. During 2003-04, the Target to build houses was 66,026 and the total fund in this field was Rs.135.25 crore, 58,996 houses have been constructed in the state by utilizing Rs.126.36 crore with an achievement of 89 per cent (Govt. of Orissa, Economic Survey, 2004-05, p.8-11). During 2007-08 about 90,627 houses were completed against the target of 1,11,431 houses with an expenditure of Rs. 23,371.67 lakh. However the achievement under the IAY (Normal) was 81 Per cent.

Indira Awas Yojana (IAY) (Up Gradation)

During 1999-2000, there are some steps which have been taken to improve the Rural Housing (RH) Programme. The objective of this scheme is to upgrade the kutchha houses to pucca one with fire proof roof. The unit cost of each unit is Rs. 10,000/- only.

Additional Indira Awas Yojana (out of 5% allocation for Natural Calamities)

As per this scheme, the Govt. of India has sanctioned 4923 numbers of additional Indira Awas Yojana for Flood victims out of which 5% allocation is earmarked for Natural Calamities victims. By 2006-07, the number of houses completed was 4651 and the total expenditure in this area was Rs.930.51 lac (Government of Odisha, Economic Survey, 2007-08, p,8/13).

Additional Indira Awas Yojana (for Cyclone, Flood victims)

In 1999 the Super Cyclone severely devastated most of the houses and it affected the people severely for this reason, the Govt. of India has allotted 6 lac additional Indira Awas house to Cyclone victims. For the Cyclone victims, Govt. of India has sanctioned Rs.165 crore to construct the one lac Indira Awas Houses in 24 districts which were affected by the flood in 2001. During 2006-07, the Indira Awas Yojana Schemes have acquired a good result. It shared an achievement of 99.85% (Government of Odisha, Economic Survey, 2007-08, P8/13).

Mo Kudia Yojana

The scheme 'Mo Kudia' has been introduced on 1st April, 2008. Its aim is to provide dwelling houses to the needy rural poor those who are living below the poverty line. It shall also improve the resources under Indira Awas Yojana and increase the availability of housing for the rural poor. As per newspaper reports the achievement under the State sponsored Mo Kudia Scheme in the year 2010-11 is comparatively better than the 2009-10. During the 2009-10 only 223 houses were completed against the target of 28,355 whereas about 4280 houses were

completed during 2010-11 against the target of 40,677 with utilization of Rs. 12 crore (Express News Service, July 2010)

5. National Rural Employment Guarantee Scheme

NREGS came into existence in 2005. Its aim was provide for livelihood security in rural areas. The programme came into operation in 19 districts of the state during 2006. The states are Gajapati, Ganjam, Jharsuguda, Kalahandi, Kandhamal, Kendujhar, Koraput, Malkangiri, Mayurbhanj, Nabarangpur, Nuapada, Rayagada, Sambalpur, Sonepur and Sundargarh etc. since 1st April 2007, in 5 districts namely Angul, Baleswar, Bargarh, Bhadrak and Jajpur the NREGA programme is in operation and since 1st April, 2008 the programme was implemented in the remaining 6 districts namely Cuttack, Jagatsinghpur, Kendrapara, Khurda, Nayagarh and Purietc (Ray, 2010, pp.199). Its main aim is to provide employment opportunities to the rural households by guaranteeing at least 100 days of wage employment in a year. It is used for the upliftment of the poor people from the hunger and distress (GOO, Economic Survey 2007-08 pp. 8/7). Its other objectives are to provide or generate productive assets, protect the environment, empower the rural women, reduce the rural urban migration and foster social equity (AICTE, 2009, pp.2). The NREGA provides the necessary safety-net for job seeking rural poor. The main features of NREGA are:

- 100 days unskilled wage employment to a rural family in a financial year
- Equal wage for men and women
- Ban on contractors and labour displaying machines
- Participatory planning and identification of works through pallisabha
- Payment of wage on weekly basis but not later than 15 days
- If it fails to provide work to job seeker within 15 days of application unemployment allowance will be provided to the job seeker
- Social audit by Palli/ Gram Sabha
- The participation of Panchayati Raj Institutions (PRIs) in planning and execution of NREGS works
- Registration and providing the Job Card in Gram Panchayat (GOO, Economic Survey, 2008-09, pp.8/8)

The Gram Panchayats therefore play a pivotal role for the implementation and execution of this programme. Since 2009 NREGA which was later renamed as MGNREGA like the other wage employment programme it has generated employment for the poor rural households but only for about 35 to 40 days of wage employment during 2007-10. However it is found that during 2006-07 the performance of MGNREGA in 19 districts was comparatively better. During this

period the average days of employment that had been provided to the poor wage seeking households was 35 to 40 days which was lesser than the previous years. It is also found that out of the total registered households about 90 per cent have been issued job cards. During 2007-08 in 24 districts 48.95 lakh households have come under the programme out of which 42.69 lakh job cards were issued (Meher, Padhi, 2010, p. 85).

When the programme was implemented in 19 districts of Orissa in 2006-07, it is seen that about 14.07 lakh (54.26 per cent) households had demanded employment under the MGNREGA and interestingly more than 99 per cent of them were provided wage employment under the programme. But during 2009-10 the picture was different. In these years in 30 districts only 14.13 lakh households had demanded employment under the programme and 99 per cent of them could be given employment for about 40 days during the year. So it can be said that though there is poverty and lack of employment opportunity the programme has failed to attract the wage seeking households in large numbers in recent years (Meher, Padhi, 2010, p.86). During 2008-09 Ganjam district (59.94 days) recorded highest average days of employment generated per household and the lowest was in Puri district (10.92 days).

Though MGNREGA has been implemented to reduce the acute poverty of the poor in the rural areas by providing minimum 100 days of wage employment to every wage seeker but it has failed to provide the desired outcome. There are several reasons for the failure of this programme till the year 2010. It has been found that:

- i) Projects at the village /GP level are not planned properly
- ii) Though the job cards are issued to every wage worker family to generate at least 100 days of wage employment but the problem relates to the design of the job cards, their distribution and maintenance. The job cards should be reader friendly and maintained properly (AICTE, 2009, PP. 3).
- iii) Many poor people do not want to work under MNREGA programme because of unusual delay in payment of wage
- iv) Lack of adequate administrative and technical manpower at the block and GP levels. For this reason it has hampered the preparation of plans, scrutiny approval monitoring, and measurement of works and maintenance of stipulated records at the block and GP level.
- v) Many people are not aware about their entitlements under NREGA such as work on demand, unemployment allowance, worksite facilities, and minimum wages and so on. So it is necessary to make them aware about their entitlements under NREGA otherwise the demand-driven nature of NREGA will be weakened.

6. Assessment of Poverty Alleviation Programmes in Odisha

Kishore C Samal in one of his article is of the opinion that development is not enough to reduce Chronic Poverty and hunger in Odisha. There are various rural development programmes which are in operation in Odisha like IRDP, JRY, IAY, MWS, EAS, GKY, DWCRA, TRYSEM, DPAP, DDP, RWSS, NSAP but the poor have not got any fruitful result of these programmes. There are flaws in the implementation of these programmes. Most of these programmes have failed to reach the correct beneficiaries. There is another reason for the bad implementation of these programmes and these are; the leakages of benefits and inflation of mandays of employment generated. To him there is one more reason which is responsible for this-the absence of structural change in society. In Odisha the KBK districts is considered as a mostly backward and poverty stricken areas. To remove poverty in this region the State Government has launched Revised Long Term Action Plan during 1998-99 in consultation with the Govt. of India. Since this is an important programme hence let us discuss the RLTAAP programme in Odisha in brief.

The Revised Long Term Action Plan was launched by the state government in consultation with the Govt. of India in 1998-1999 for the speedy development of the KBK districts. The undivided districts of Koraput, Bolangir, Kalahandi (KBK) is considered as one of the most backward areas in Odisha. They suffer from multi-faceted backwardness. So the RLTAAP has been adopted since 1998-99 to remove disparities in these districts. It has eleven components which are agriculture, horticulture, watershed Development, Afforestation, Rural Employment, Irrigation, Health, and Emergency Feeding, Drinking water supply, Rural Connectivity and welfare of the ST/SC etc. The objective of this RLTAAP is several like droughts proofing, speeding up the socio-economic development of this region, poverty alleviation and improved quality of life. RLTAAP envisaged a total outlay of Rs.6251.06 crore over a period of 9 years from 1998-99 to 2006-07. The funds were to be utilized for the development of all these components. In spite of this the percentage of families living below the poverty line still remains the same. Not only that, it has shown an increasing trend.

The Special Area Development Programme i.e. RLTAAP has been implemented in all the eight districts of undivided KBK districts. The eight districts are Kalahandi, Nuapada, Bolangir, Sonepur, Koraput, Malkangiri, Nawarangpur and Rayagada etc. These districts are the most underdeveloped and the most backward districts with perpetual poverty. There are some indicators of these districts for that reason KBK region is regarded as the most backward and under-developed districts. The indicators are low level of literacy rate and female literacy rate, high morbidity on account of under nutrition, endemic malaria and other local diseases, scarcity of food, starvation deaths, lack of awareness about the use of family planning methods etc.

About 82.60 percent of families live below the poverty line in KBK districts as per the 1992 census, which was conducted by Panchayati Raj Department, Government of Orissa. For the development of KBK districts different departments of the state Government are implementing several developmental and welfare oriented programmes/schemes. These are watershed Development Project, Rural Electrification, infrastructure, health, rural development, tribal development etc. Its fund is to be shared between the central government and the state government in the ratio of 86.6% and 13.4%. The programme has different activities like dairy and backyard poultry. The objective of this programme is to increase the income source of rural households so that they can improve the quality of life of the people. The state government has been allocated 1008.84 lakhs during the financial years 2002-03, 2003-04, 2004-05 and 2005-06 for utilization under different activities in the KBK region under the plan.

The Kalinga Centre for Social Development of KIIT conducted a study and found (nd) that the scheme was implemented in all districts of the KBK region in a top-down and target oriented manner. The beneficiaries of these programmes are those people who have cows and buffaloes. For their treatment they need Veterinary Dispensaries/ Livestock Aid Centres. But lack of infrastructure facilities did not provide health care services to the livestock owners. The organization found that there are a number of VDS/ LACs that are functioning in rented houses in KBK districts but the buildings are not well structured. And they are not suitable for treatment centre. It was observed that among the districts Nawarangpur district spent the highest percentage of its funds for the construction of LACs. The least amount has been utilized in Bolangir district.

Veterinary health camps have been organized in different health, deworming, heat induction camps in KBK districts under RLTAAP programme. The main aim of these camps is to provide facilities to the beneficiaries for health check-up, investigation, treatment, deworming and supply medicines for infertility of the animals at their localities. The allocation of funds for these camps was 100%. Though there are some disparities in the district wise allocation of funds. In this field Koraput have got the highest amount of allocation while the Nawarangpur district have got the least amount of financial allocation.

These camps helped the beneficiaries a lot even though the percentage of attendance of the beneficiaries in different camps was not equal. But most of the beneficiaries were in favour of frequent organization of camps. For the continuation of these camps they conducted training programmes for SHG members and unemployed youth as Pashupalan Sahayak so that the beneficiaries can get the opportunity about animal health check-up investigation, type of disease of the animals, vaccination, animal feed for enhancement of milk production etc. But the percentage of attendance of the beneficiaries in the training camps was very poor because of lack of communication and awareness of the beneficiaries. In most of the districts like Rayagada, Nawarangpur, Malkangiri,

Subarnapur and Kalahandi they do not take part in any training camps. From the animal sources milk is used for the purpose of trade. OMFED i.e. Odisha State Co-Operative Milk Producers Federation have worked in this field. They used it in the domestic markets as branded, packed liquid milk as well as milk products.

The RLTAAP programme has given more importance on institutional development in KBK districts. Ninety two VDS and of LACs have been constructed during the year 2002-06 for the expansion of the animal husbandry of farmers. The department of animal husbandry has been shifted from animal health care services for the prevention and control of animal diseases.

The study by the Kalinga Centre for Social Development also found that there are some problems of implementing agency and service provider. They focused on the guidelines, allocation of funds, utilization of funds etc. They have found that lack of clear guidelines is one of the problems in this programme. Most of the beneficiaries are deprived from the benefits from of the scheme due to inadequate resources. The expenditure for the construction of LAC building is quite low in all the districts. In the camps the supply of medicine is very limited. Though there are various problems in the implementation of the scheme of RLTAAP but it has been reported by most of the beneficiaries that the programme RLTAAP is satisfactory. The KIIT have given some suggestions in the implementation of RLTAAP programme on the basis of some relevant primary and secondary data. They have given more reliance on the development of dairy and poultry in the KBK districts. The following suggestions were made:

- i) Release of funds need to be at regular interval
- ii) Adequate modern instruments and medicines should be provided for different diseases
- iii) Adequate number of vehicle should be provided at the field level for morbidity in remote areas
- iv) More and more number of new Milk Producers Cooperative Societies needs to be formed in the remote areas and the existing one needs to be expanded in order to increase the market accessibility as well as collection of milk
- v) A good number of staff is to be provided for better delivery of services at the doorstep of the farmers

The New Indian Express in 2008 however noted that the Revised Long Term Action Plan for the eight KBK districts has failed (The New Indian Express, Nov, 2008). Though the state government has tried to improve the socio-economic condition of the rural poor through the Revised Long Term Action Plan but a quarter of the beneficiaries it is a complete failure. There are no noticeable changes seen in the KBK region. The programme has failed in the KBK region

due to corruption and maladministration which was shown in drought-proofing works. The watershed project was not fully implemented. There are some records which show that implementing agencies have failed to provide one time meal ranging from 28 days (Nawarangpur district) to 186 days (Kalahandi district) per annum. The quality and quantity of food was very bad and almost 38 percent beneficiaries were not satisfied with them. There are some villagers in this region who have migrated from one place to another due to lack of employment opportunities (Patro, Nov, 2008).

It is from The Indian Express dated Feb 21, 2004 we come to learn that there is low utilization of RLTA Funds in the KBK region. It is reported that out of a total allocation of Rs.377 crores only 111 crores has been spend by the state government of Orissa which is less than one third allocation for the financial year 2003-04(Dash, Social Change, June 2007, Vol. 37 No.2).

Health and medical facilities in the KBK districts is very poor. There are many medical and health posts that had remained vacant. So it can be said that shortage of doctors remains a major problem in the region. The KBK districts are malaria prone. State Government is trying their best to wipe out this disease and also diarrhea or water borne disease. Two more health related problems are seen in the KBK districts i.e. malnourishment and anemia (Social Change, June 2007, p. 90).

Kalahandi district is one of the poverty stricken districts. Cholera often spreads in this district. Hunger still remains a major concern in this district. A newspaper report reveals that many of the tribal people in Kalahandi district do not have food all through the year and are compelled to eat poisonous mango kernel in order to meet hunger. In this district the monthly per capita expenditure for the Scheduled Tribes has declined in the state whereas the monthly per capita expenditure of scheduled castes has increased. As a result it is found that the deprived have become more deprived in Orissa (Express News Service, 15th July 2010). Government has failed to provide adequate potable drinking water facilities, lack of medical facilities and communication network in the remote areas. The people of this region especially various tribal communities suffer from high morbidity due to under nutrition (Frontline, Jan, 12, 2007, p.44). These starvation deaths shook the conscience of the nation. It still remains a serious concern in the KBK districts. Crores of rupees are spent on poverty alleviation and development schemes but poverty have not disappeared from this area/region (The New Indian Express, 16th May, 2012). The newspaper reported that it is well known to all where the money disappeared. Lot of money was spent on development but the schemes are not implemented due to corrupt politicians, officials and contractors. As a result the region becomes poorer than it was in 1980. The developmental and welfare schemes cannot improve the condition of the poor people in this region and change the situation which they face in everyday life (The New Indian Express, 11thSep, 2009). Not only that, the communication system is a major constraint. For that reason the people of this region cannot have access to markets,

health care and educational opportunities or institutions (Frontline, 12th January 2007, p.45).

Though the Government has implemented so many development policies but the policies alone is not enough. It needs proper and appropriate follow-up action/execution. It is also to be pointed out that lack of awareness among the people in the KBK region about the government schemes or programmes is another reason for the backwardness of this region. This can be eradicated by increasing the levels of 'functional literacy' and educational opportunities (Social Change, June 2007, p.92). So it can be said that the Government has tried to perform well for the upliftment and development of the people in the KBK districts specially the disadvantaged groups (Scheduled Castes and Scheduled Tribes) but for some reason the development of the people in the KBK districts still remains a dream. The reasons are lack of dedication, sincerity, integrity, on the part of the officials and official/staff absenteeism etc. (Social Change, June 2007, p.89).

From the above discussion it can be said that the State Government has tried to reduce poverty through a number of poverty alleviation measures in collaboration with the Government of India and its own. Though it can never be denied that poverty has declined in the state inspite of these we find till now poverty remains a serious issue in the state especially in the underdeveloped region. Government has implemented so many programmes but whether it reaches the grassroots level or not government should look after this matter. Many people in the backward region are unaware about the Government programmes. So awareness campaign in rural areas is must. And the Government must look after the proper execution and implementation of these programmes so that the poor people can get all facilities which are mostly essential and the Government programmes must reach every nook and corner of the state.

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