

Agriculture Development in Telangana State and Poverty Eradicate Policies: A Study

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Abstract: *Agricultural wage earners, small and marginal farmers and casual workers engaged in non-agricultural activities, constitute the bulk of the rural poor. Small land holdings and their low productivity are the cause of poverty among households dependent on land-based activities for their livelihood. Poor educational base and lack of other vocational skills also perpetuate poverty. Due to the poor physical and social capital base, a large proportion of the people are forced to seek employment in vocations with extremely low levels of productivity and wages. The creation of employment opportunities for the unskilled workforce has been a major challenge for development planners and administrators. Poverty alleviation has been one of the guiding principles of the planning process in India. The role of economic growth in providing more employment avenues to the population has been clearly recognized. The growth-oriented approach has been reinforced by focusing on specific sectors which provide greater opportunities to the people to participate in the growth process. The various dimensions of poverty relating to health, education and other basic services have been progressively internalized in the planning process.*

Key Words: *Poverty alleviation, marginal farmers, unskilled workforce, vocational skills.*

1. INTRODUCTION:

The Integrated Rural Development Programme (IRDP), introduced in selected blocks in 1978-79 and universalised from 2 October 1980 has provided assistance to rural poor in the form of subsidy and bank credit for productive employment opportunities through successive plan periods. Subsequently, Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Tool Kits to Rural Artisans (SITRA) and Ganga Kalyan Yojana (GKY) were introduced as sub-programmes of IRDP to take care of the specific needs of the rural population. These schemes were, however, implemented as 'stand alone programmes', an approach which substantially detracted from their effectiveness. The Mid-Term Appraisal of the Ninth Plan had indicated that these sub-programmes "presented a matrix of multiple programmes without desired linkages". The programme suffered from sub critical investments, lack of bank credit, over-crowding in certain projects and lack of market linkages. The programme was basically subsidy driven and ignored the processes of social intermediation necessary for the success of self-employment programmes. A one-time provision of credit without follow-up action and lack of a continuing relationship between borrowers and lenders also undermined the programme's objectives.

The success of the anti-poverty strategy can be gauged from the decline in poverty levels from 37.27 per cent in 1993-94 to 27.09 per cent in 1999-2000 in the rural areas. In absolute terms, the number of rural poor fell below the 200 million mark for the first time since 1973-

74. However, this achievement falls short of the Ninth Plan projections. At the beginning of the Plan, it was projected that, with a growth target of 6.5 per cent per annum during the Plan period, only 18.61 per cent of the population would be below the poverty line by 2001. The marginal impact of self-employment programmes led to the constitution of a committee by the Planning Commission in 1997 to review self employment and wage-employment programmes. The committee recommended the merger of all self employment programmes for the rural poor and a shift from the individual beneficiary approach to a group-based approach. It emphasised the identification of activity clusters in specific areas and strong training and marketing linkages. The committee's recommendations were accepted by the Government.

On 1 April 1999, the IRDP and allied programmes, including the Million Wells Scheme (MWS), were merged into a single programme known as Swarnajayanti Gram Swarozgar Yojana (SGSY). The SGSY is conceived as a holistic programme of micro enterprise development in rural areas with emphasis on organising the rural poor into self-help groups, capacity-building, planning of activity clusters, infrastructure support, technology, credit and marketing linkages. It seeks to promote a network of agencies, namely, the District Rural Development Agencies (DRDAs), line departments of state governments, banks, NGOs and panchayati raj Institutions (PRIs) for implementation of the programme. The SGSY recognises the need to focus on key activities and the importance of activity clusters. The programme has in-built safeguards for the weaker sections. It insists that 50 per cent of the self-help groups must be formed exclusively by women and that 50 per cent of the benefits should flow to SCs and STs. There is also a provision for disabled beneficiaries. The programme is credit driven and subsidy is back-ended. The credit and subsidy ratio is pegged

at 3:1. The subsidy is fixed at 30 per cent of the project cost subject to a maximum of Rs. 7,500 per individual beneficiary for those in the general category and 50 percent.

2. OBJECTIVES:

Objectives of the proposed study include the following:

- To understand the agrarian formers and labour poverty in income level in Telangana State.
- To analyse the challenges of poverty in rural areas in Telangana state.
- To study Central and state policies and programmes for improve elimination in poverty among agri labour.
- To study the socio economic profile of agriculture formers and labour vis-à-vis their levels in income differences in the Telangana state.
- To analyse the proposed policies recommendations to the authorities in order to design for poverty elimination policies.

3. REVIEW OF LITERATURE:

Katsushi, S., Raghav, G. and Wenya Chang (2016) tried to examine the role of agricultural growth in reducing inequality and poverty in developing countries by modelling the linkage between agricultural and non-agricultural sectors. They have found that agricultural growth is more important in reducing poverty. The study has emphasised the revival of agriculture as the main driver of growth and elimination of extreme poverty.

Ravillion, Datt (1996) have used consumption based poverty measures to show the importance of sectoral composition of growth for removal of poverty in India. They have used time series data of different poverty measures for urban and rural areas of India during 1951-91. They have found that the output growth in the primary and tertiary sector reduces poverty in both rural and urban areas but the growth in the secondary sector did not reduce poverty in either.

Ravillion, Datt (2001) have used 20 household surveys for India's major 15 states for the period 1960-1994 to study the importance of sectoral composition of growth for poverty reduction. They measured poverty on the basis of per capita intake of calories. They undertook interstate differences in the levels of poverty by including state fixed effects. They found that non-farm economic growth was less effective in reducing poverty in states with low rural development.

Department for International Development, DFID (2004) emphasises the relationship between poverty reduction and the growth of agricultural productivity. They have linked the relationship through four transmission mechanisms: 1) direct impact of improved agricultural performance on rural incomes; 2) impact of cheaper food for both urban and rural poor; 3) agriculture's contribution to growth and the generation of economic opportunity in the non-farm sector; and 4) agriculture's fundamental role in stimulating and sustaining economic transition. They concluded that these transmission mechanisms can lead to poverty reduction depending on the extent to which agricultural productivity can be increased where it is most needed.

Bresciani and Valdes (2007) emphasises that labour market, farm income and food prices links agricultural growth to poverty. They provide a theoretical framework for examining the quantitative importance of these links and their analysis considers six country case studies. They conclude that when both the direct and indirect effects of agricultural growth are considered, such growth is stronger in reducing poverty than growth in non-agricultural sectors.

Christiaensen and Demery (2007) highlights that the contribution of economic growth to poverty reduction may vary across sectors because the benefits of growth can be easily enjoyed by the poor people if growth occurs where they are located. They find that growth from agriculture is significantly more poverty reducing than growth outside agriculture.

Ligon and Sadoulet (2008) in their paper which is done as a background for the World Bank's 2008 World Development Report found two contrary results. For the poorer sections of the society, agricultural sector growth is more important than the non-agricultural sector growth whereas the opposite is true for the richer sections i.e. the expenditure elasticity non- agricultural growth is much higher than for agricultural growth.

Loayza and Raddatz (2010) have studied the relationship between output growth and poverty for more than 50 countries. They found that the composition of growth which involves severe use of unskilled labour leads to more significant reduction in poverty. This is because poor people can afford only this type of input to the production process. Therefore, sectors which are more labour intensive have more strong effect on poverty reduction. The study found that agriculture is the most poverty-reducing sector, followed by construction and manufacturing.

4. METHODOLOGY :

The present study will be based on secondary sources. The Secondary data will be collected from journals, books, government documents, reports, research works, and website sources.

Significance of the study

Poverty alleviation is accompanied by a number of positive social impacts. These include improved access to food (that results in higher nutritional and health levels), improved access to education (due to higher income levels and ability to pay for fees and supplies), and improved employment opportunities.

Processes & Methods adopted in preparation of Vision Document

A state level Workshop on "BANGARU TELANGANA & SUSTAINABLE DEVELOPMENT GOALS (SDGs)" held during July, 2017 with an objective of orienting all department heads on Vision Document Preparation. All Secretaries and Heads of Departments were participated in the workshop. Core Team has been commissioned for preparation of State's Vision Document Convened series of meeting by Chief Secretary / Chief Advisor to the Government with all the Secretaries. Thematic groups were formed for having sectoral discussions

Rythu Bandhu - Agriculture Investment Support Scheme (AISS)

Agriculture in Telangana is characterized by stagnation, low productivity and frequent occurrence of droughts and low levels of public and private investments. Therefore, it was felt that investment is the surest way to enhance agricultural productivity and also incomes of the farmers besides breaking the vicious cycle of rural indebtedness. Keeping in view of the above situation, Telangana Government has initiated a new scheme- "Agriculture Investment Support Scheme – Rythu Bandhu" for implementing since 2018-19 for the farmers' welfare.

The broad details of the scheme are as follows: TMRelieving the farmers from debt burden and not allowing them to fall in the debt trap again. For providing investment support to Agriculture and Horticulture crops by way of a grant @ Rs. 4000/- per acre per farmer each season for purchase of inputs like (1) Seeds (2) Fertilizers (3) Pesticides (4) towards Labour and other Investments in the field operations of farmers' choice for the crop season. The assistance is revised to Rs. 5000/per acre/season since 2019- 20.

The updated and purified land record data base in the form of Land Records Updation Program (LRUP) will form the basis for implementing the Investment Support Scheme (Rythu Bandhu). Rythu Bandhu assistance is being extended to the pattadars proportionate to the extents indicated against the names of the pattadars in the digitally signed data obtained from the Chief Commissioner of Land Administration.

The Rythu Bandhu assistance is also being extended to ROFR Pattadars based on the data received from the Commissioner Tribal Welfare, TS, Hyderabad. The amounts are directly transferred through e-kuber or IFMIS platform into the bank account of the pattadars proportionate to their extents as per the data obtained from CCLA & Commissioner Tribal Welfare.

The details of the assistance extended under Rythu Bandhu for past six seasons are given below

An amount of Rs.1480000 Lakhs has been allocated for the year 2021- 22 pertaining to Agriculture Investment Support

Scheme (Rythu Bandhu) which is sufficient to assist for an extent of 148.00 Lakh acres/season @Rs.5000/acre/season during 2021-22, as compared to 147.35 Lakh acres during 2020-21 Yasangi.

Rythu Bima - Farmers Group Life Insurance Scheme

The Government of Telangana introduced Group life insurance scheme for all the farmers in the State of Telangana from the year 2018-19. All the holders of Pattadar Pass Books issued after the land records updation programme are eligible for enrolment in this scheme. The farmers in the age group of 18–59 are eligible under this Scheme and the sum assured of Rs. 5.00 lakhs is being paid on death, due to any cause, to the nominee of the enrolled farmer, declared by him/her at the time of enrolment. Objective: The main objective of the scheme is to provide financial relief and security to the family members/ dependents of the deceased farmer (Pattadar) in case of his/ her death. The farmers Group Life Insurance Scheme (Rythu Bima) ensures financial security and relief to the bereaved members of the farmer's family. Benefits: 1. The entire premium on behalf of the enrolled farmer shall be paid by the government to the insurance agency. 2. The Nominee opted by the farmer (Pattadar) at the time of his enrolment in the scheme shall be entitled to get Rs. 5.00 lakhs from the LIC, in case of death of the enrolled farmer, due to any cause. For the year 2021-22, Rs.120003.36 Lakhs have been proposed in the Budget Estimates. The Policy term is extendable with the approval of the Competent Authority for next year starting from 14th August, 2021 and ending by 13th August 2022. The payment to LIC shall be made before expiry of policy term, to cover farmers again for one year from 14.8.2021 to 13.8.2022.

Rythu Vedika

The Government of Telangana has taken an initiative to construct 2601 Rythu Vedika Work Sheds in every Agriculture Extension Officer Cluster consisting of 1-3 villages with construction cost of Rs. 22,00,000/- for each Rythu Vedika with a share of Rs. 12,00,000/- from the Department of Agriculture and Rs. 10,00,000/- from MNREGS funds vide G.O Rt. No: 264, Dt: 15-06-2020 of A&C (Agri.II) Department.

Rythu Vedikas

are the first of its kind in India where a platform is being created for the farmers to motivate and stabilize the farmers in attaining the higher returns and making the farmers Rythu Raju. Rythu Vedikas will help in mobilising the farmers to organise themselves in to groups for attaining their ultimate objective of getting the remunerative prices, better marketing facilities, higher productivity and ultimately making the Agriculture profitable. It will facilitate the Government to know ground level basic problems and difficulties faced by the farmers and to formulate new strategies and upgrading the existing system to make the Agriculture more profitable and sustainable.

Rythu Vedika will serve as a platform:

To create awareness among the farmers to know about all the farmer's welfare schemes taken up by the Government, Subsidies available etc. Can be used as skill imparting centres by the Agriculture and allied departments. In stabilizing the income of farmers by providing the information on the institution finance and to ensure their continuance in farming.

To encourage farmers to adopt innovative and modern agriculture practices.

To help the farmers to interact and share the knowledge.

It can be used as a venue to conduct and organise trainings and awareness campaigns on the latest Agriculture know how by the Agriculture and allied departments.

Details of Rythu Vedikas:

Total Rythu Vedikas to be constructed : 2601

Rural Rythu Vedikas : 2462

Urban Rythu Vedikas : 139

Rythu Vedikas with full cost donors : 22 (Rural: 20, Urban: 2)

Rythu Vedikas with land donors :139(Rural:137, Urban: 2)

5. CONCLUSION:

Telangana agricultural sector is in a transition from cereal based cropping systems to commercial crops based cropping

systems with larger contribution from fruits and vegetables and commercial crops like cotton and soybean. The commercialization of agriculture resulted in high input-high output-high risk for which many small and marginal farmers are not able to cope with and ultimately end up in huge debt with higher cost of production in agricultural sector. Livestock sector growth is also significant, now its contribution is equal to crop sector to gross state domestic product. Telangana agriculture is dominated by small and marginal farmers, whose income from agriculture and allied activities is meager, resulted in most of them shifted to agricultural labourer during the past decade. The number of cultivator's decreased and agricultural labourer increased during the past and this change is more among women. Small and marginal farmers profitability was adversely effected by the rapid spread of farm mechanization, hence there was a need for special programmes to support small farmers' incomes on a long term basis. The input costs are increasing more than gross returns, resulted in decrease in profitability. There was a need for strengthening custom hiring centres in all the villages for easy availability of modern tools and farm equipment to the farmers. The tenant farmers are especially at risk in the event of yield loss or output price reduction, as they have to pay tenancy fee of about 30% of the average farm returns, even though their yields are lower than average. Hence there was an urgent need for addressing the tenancy farmer's problems through institutional innovations and subsidy programmes

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