

NCF is a tool to further this objective. In the name of providing value-based education NCF pushes the idea that a certain version of Hinduism is the be-all and end-all as regards the 'values' that need to be inculcated. Further, through NCF and other occasional pronouncements, the government's spokespersons keep trying to prove that 'Hindu India' was the greatest civilisation and culture in world history. Certainly, like other old civilisations, ancient India had its share of creditable achievements, but the self-deluding and viciously jingoistic Hindutva version of these distorts the past and attempt to push the country's educational system on a retrogressive course. NCERT's recent well-known attempts to rewrite history books bear ample testimony to such tendencies.

There are other questionable thrusts associated with the NCF, which need not be taken up here. The important point is: it is difficult to find much that can be considered positive with this framework, which many in fact interpret as India's education policy.

Thus, to conclude this section, recent policy initiatives of the government including those taken in 2002 do not generate much optimism with respect to taking up the huge deficits in the education sector, and even appear to be retrogressive in important ways.

The next section looks at those policy areas which have significant causal impacts on material poverty.

Poverty and its Correlates

Conceptualising poverty is a difficult and controversial subject. At one level, it would appear reasonable to hold that poverty is essentially the non-fulfilment of certain basic needs and the threshold of such needs consists of being able to meet minimum nutritional, clothing and shelter requirements, escape avoidable morbidity, and be literate. However, what constitutes a basic needs package is itself a controversial subject. Should one focus only on a narrow set of economic and social criteria? What about political and cultural deprivations? There are no easy answers, and we have a whole range of conceptual constructions associated with the notion of poverty, some of which do have operational counterparts.

In the narrowest sense, poverty is pegged to a nutritional norm, and most of the poverty discussions in India are based on such a norm. It is based on the view that it is possible to have a nutritional norm such that the probability of a person being undernourished at that norm is minimum. Taking this norm as an anchor, it is then possible to apply the known nutritional contents of different foods and work out the expenditure required for the cheapest food basket. This is what economists call a poverty line.

Using such a poverty line, economists generally agree

that from the 1950s to the mid-1970s, there was no trend change in the percentage of people below the poverty line in India, but during the next decade and a half there was a clear decline. As regards the period of economic reforms, there are conflicting assessments, which have been widely discussed in the recent months and here we shall stay away from the contentious number-crunching issues.

Even the calorie-based narrow notion of poverty has complex causal connections, but its obvious major structural correlates are as follows: (a) assets, both tangible (e.g., land) and intangible or embodied (e.g., skill); (b) employment availability; and (c) rate of return to labour power. Efficacy of economic processes and policies towards poverty reduction depends on their impacts on these correlates, a lesson from economic history that one can hardly afford to ignore. During the first four decades after independence, particularly during 1970s & 80s, Indian economic policymakers appeared to show relatively more respect to this lesson compared to what seems to be the case in the reform period.

In the following, we try to assess the ascendant and emerging policy initiatives relevant to poverty, in particular by tracking down the implications through the above mentioned correlates.

Implications of Current Policies for Poverty Correlates

As regards the access of assets to approximately the bottom half of the Indian society, it can be said that it is one of the most pervasive failures of the Indian development strategy of the past half-century. Land reforms in terms of more equitable distribution of land were never taken up with any seriousness, except in some parts of the country. For instance, compared to several countries in East Asia, such as South Korea, Taiwan and Japan, where close to 35 per cent or more of cultivable area was redistributed within a short period of three to five years immediately after World War II; in India the comparable magnitude during the last fifty years has been below 1.5 per cent. One may also note here that among the most impressive performances in poverty-reduction during the post World War-II era, the same east Asian 'miracle' cases are at the forefront, and surely the redistributive land reforms were more than a mere coincidence in this respect.

Economically and socially vulnerable groups, apart from not benefiting from redistributive land reforms, have in fact been victims in terms of access to assets through displacements (on account of a variety of development projects), erosion of their rights vis-à-vis a whole range of common property resources etc. The sum total of these processes was that substantial number of landholders ended up being landless. For instance in Madhya Pradesh alone, during the last 50 years, close to 450 thousand acres of land belonging to the Revenue Department has wrongly been classified as the property of Forest Development, thus denying the ownership rights to legitimate landowners. All these are very well documented and we need not labour the point any further here. However, it needs to be emphasised that during the reform period many of these negative tendencies may have got accelerated sharply.

Land reform in terms of more equitable distribution is not even a rhetoric any more, although every once a while the government at the centre as well as several state governments do announce programmes about giving small plots of land to select socio-economic groups. For instance, Madhya Pradesh government's initiative in 2002 to give small plots of land to Dalits was one of the very few

positive steps in this regards although the same state government has launched questionable programmes which threaten the access to land and other assets of vulnerable groups, in particular the tribal communities. Occasional reports from other states also do not seem encouraging in this regard. For instance, in some district of Maharashtra, instances of land earlier distributed to tribal landless and marginal farmers being taken away from them under the Private Forests Act were brought to notice in 2002. In Tamil Nadu, Comprehensive Wasteland Programme launched as per the state government's budget 2001-2002 aims at encouraging leasing out land to corporate houses. Its ostensible objective is to develop, over a period of five years, approximately 2.5 million hectares with large agro-based industries, and at least one such lease was given to Mahindra & Mahindra in 2002. The issue is: why shouldn't such land, which is in the public domain, be given to the landless and marginal farmers, with necessary support package, to develop for their livelihoods? Incidentally, under the said programme, even tracts of common grazing land have been identified to be taken over and leased out to the corporate houses. Moreover, substantial tracts of land categorised as wasteland in government records are said to have already been developed and brought under the plough by thousands of marginal cultivators on the basis of assurances given to them that at some point ownership rights would get conferred, and there is real threat of displacement for such landholders.

Essentially, what we are witnessing is a resurgence of Social Darwinism. While paying occasional lip-service to the cause of the vulnerable sections of the population, a variety of processes have been unleashed facilitating transfer of land and other common property resources to the wealthy and powerful, thus depleting the access to such resources for the vulnerable sections of the population. Consistent with this strategy of betting on the strong, the 10th Five Year Plan document, released in 2002, suggests that leasing should be legalised and contract farming should be promoted, ostensibly to give a boost to the ongoing corporatisation of agriculture. There is a real danger that India's economic policy makers are out to delegitimise

whatever legitimate space has been created, through long and arduous struggles since the pre-independence period, in the public policy discussions on the desirability of reforms in land ownership, tenancy rights etc. To put it simply, we are witnessing the officially-sanctioned reversal of the land reforms agenda that was promised soon after independence. Baseless claims, such as the entry of the corporate sector in agriculture will enhance employment opportunities substantially, are being bandied to legitimise and push the case for corporate takeovers. Given the overall thrust of the Tenth Plan with reference to land, forests, water and other common property resources, it is indeed hypocritical when it occasionally envisages economic empowerment of Dalits through 'endowing a piece of land', or other supportive measures. Even if some of these 'supportive measures' materialise, although the mechanisms are far from clear, they would be like small crumbs in an otherwise demanding scenario where the structural and material conditions of their livelihoods are being threatened.

Access to water

Among the policy pronouncements of 2002, one of the more disturbing policies is about access to water. In terms of provision of water services for irrigation or even for household use, the trend towards privatisation and higher user charges has got accelerated—support for which also comes from the Tenth Plan—thus threatening whatever limited access the economically and socially disadvantaged have. **The National Water Policy, 2002**, calls for 'private sector participation in the planning, development and management of water resources' on the grounds that this may introduce innovative ideas, generate financial resources, 'introduce corporate management and improve service efficiency.' The Simple truth is: consistent with the development in many parts of the world during the last couple of decades, governments in India are simply abdicating their responsibilities towards the people to suit the interests of the 'water industry.' Growth of water industry has been strongly facilitated by the World Bank and the International Monetary Fund, which advocate commercialisation and privatisation of water and often insist on these while giving loans to developing countries. There is mounting evidence from every part of the globe that public providers have lower

costs per unit compared to private water utilities, and the transition from the former to the latter tends to cause much hardship, particularly in developing countries, to substantial sections of the population.

In spite of all the evidence, the seductive logic of the neoliberal orthodoxy coupled with not-too-hidden nexus between the corporate interests and governments are putting the agenda of privatisation of water on fast track. There are reports that parts of rivers and water bodies are being handed over to private managers. For instance, in Chhattisgarh, a 23.6 km stretch of the Sheonath river was leased out to Radius Water Limited. Fishing in, or taking water for irrigation purposes from, the said stretch is banned. Similarly in Kerala the government has already approved several projects to facilitate transfer of designated water bodies from public to private management, and the two well-known recent schemes to have drawn much flak, and justifiably so, relate to Malampuzha irrigation system, and the Periyar river. The significant fallout of these developments is simple: sections of the poor and socially disadvantaged are being deprived of the rights that they had.

Thus when it comes to a whole range of tangible assets—land, water, forests, etc.—it is quite evident that the momentum towards loss of assets, or reduction in rights to access such assets, has got accelerated in the recent times and 2002 was possibly among the worst years in this regard.

As regards the other important correlates of poverty, the story since the beginning of 1990s is no better. The rate of growth of returns to labour power has suffered a decline during the reform period, compared to the earlier decade. For agricultural labourers, who constitute the major bulk of the poor in India, the rate of growth of real wages per annum was almost halved in the 1990s compared to the 1980s, and the vulnerable workers across the board have suffered a similar fate. In general, the past decade has witnessed a worsening of the working conditions of labourers in informal sectors, both in agriculture and outside it, as per most of the relevant indicators.

In this respect, possibly the hallmark of the 1990s has been the collapse of employment opportunities. As the S P Gupta Report on Employment

(2002), the Report of the Second National Labour Commission (2002), and several other studies based on the relevant data have found, the overall employment growth in the 1990s was anywhere between two-thirds to a half of what it was in the 1980s. Open unemployment has tended to become more of a serious problem in the recent years, even as disguised unemployment continues at worrisome level. The employment elasticity of output growth has dropped to near zero in agriculture, and in some sectors such as mining, utilities, and social and community services, it has turned negative. The manufacturing sector also witnessed substantial declines; in particular the growth of employment at an average annual rate of only 0.87 per cent between 1993 and 2000 was way below that in the 1980s. In fact the share of the organised sector employment in total manufacturing at 16.5 per cent in 2000 was lower than 18.3 per cent in 1993.

The sharp deceleration in the organised sector employment due to collapse of opportunities in the public sector and only a slow increase in the private sector, is one of the more worrisome developments of the 1990s. In fact, the share of the organised sector in total workforce is only around 8 per cent and the rest of 92 per cent of the workers are located in the unorganised sector. Large sections of the latter work under most unprotected conditions, as is well-documented, and there are signs that their vulnerability may be on the rise.

One of the important causes, possibly the most significant, underlying a positive development in rural areas during the 1980s was the increase in share of non-agricultural employment in total rural employment. Given that the agricultural sector, even in relatively backward states had started showing clear signs of declining employment elasticity of output by 1980s, this shift was considered a significant one by many analysts. The important point is that such a development was largely on account of a substantial step-up in public expenditure in rural areas, and not because of anything intrinsic to the growth process. Increase in the government expenditure in rural areas was also instrumental in giving a boost to the pitiful low wages in large parts of the country. The net impact of these developments was that for the first time in

the post-independence period, there was a clear trend towards decline in poverty for well over a decade, beginning late 1970s.

As it happens, after the beginning of the economic reforms, the rate of growth of central as well as state governments' development expenditures started slackening, and the situation has tended to worsen progressively in the recent years. Consequently, the correlates that had facilitated a declining trend in poverty prior to the onset of the reforms have suffered a setback. As already mentioned, both the rates of growth of wage rate and employment have taken a severe beating. Casualisation of labour has continued unabated and the proportion of self-employed has continued to go down; particularly drastic has been the decline in non-agricultural employment in rural areas as may be seen from Annexure XXX.

In addition to the aforementioned adverse developments, factors such as the squeeze on credit for marginal/small farmers, negative developments on Public Distribution System and a variety of other processes, most of which are well-documented, are bound to have exacerbated the vulnerability in multiple ways, of those at the lower rungs of the Indian society. Anecdotal evidence seems to suggest that the instances of extreme vulnerability getting translated into starvation deaths, suicides, etc. may be on the rise. As may be seen from Annexure XXXI, suicides on account of poverty, unemployment and failure of agriculture is significant and quite substantial in many states of India.

In this context, it is worth emphasising that among the greatest policy failures of 2002 was the central government's inability to intervene in any substantive and meaningful manner after the failure of summer monsoon. In fact, for a while government spokespersons were not even willing to acknowledge drought conditions had gripped several parts of the country. Even after the belated acknowledgement, there was no attempt at any sort of damage containment. This was particularly absurd given that at that time government's food stocks were in excess of 60 million tonnes which could have played an important role through food for work programme, both to provide some relief as well as to undertake productive investment, for instance, to strengthen rural infrastructure.

Food Security & Poverty Eradication in 2003-04 Budget

1. The allocation of Rs 5.07 billion to be made under the Antyodaya Anna Yojana to cover 5 million more families with a wish to uplift 1/4th of all BPL families in rural areas is a grossly inadequate step.
2. Balwadi Nutrition program underwent major fund cuts in the last 6 years. The scheme has witnessed continuous slashing of grants coming down from Rs 55.4 million in 1997-98 to Rs 10 million in 2001-02. In 2002-03 no more allocations were made to it as it was dropped under the zero based budgeting exercise since integrated child development services has been universalised.
3. There has been a reduction in total expenditure on overall nutrition programme from Rs 79.2 million in 2002-03 to Rs 77.7 million.
4. The budgetary allocation for food storage and warehousing has gone up from Rs. 214.33 billion to Rs 280.4 billion implying a possible rise in the price of TPDS items in the near future.

Source: The Marginalised Matter, CBA, 2003.

However, nothing of the sort was done. In fact, running down the stock substantially would have made good sense even purely from the point of view of bringing down the carrying cost, and subsidy on account of the same, a point acknowledged even by some of the cheer-leaders of economic liberalisation in India.

In any event, nothing of any substance was done to address a nation-wide tragedy, instead there was much quibbling over whether starvation deaths were actually starvation deaths! The larger point here is that all the talk of India being self-sufficient in food is somewhat glib. In fact if one looks at the per capita availability of cereals and pulses, as may be seen from Annexure XXXII, there are no reasons to make any song and dance about it. Moreover, when it comes to food-security for these at the lower rungs of society, it appears reasonable to hold

the view that the situation is pretty grim and has worsened in the recent years.

We may conclude this section by looking at the relevant policy direction coming from the Tenth Five Year Plan document. Like all its predecessors, this document too sounds well-intentioned on the issue of poverty alleviation. In fact, it explicitly states the need for 'expanding and reinvigorating the ongoing poverty alleviation programmes to improve quantitatively the economic conditions of SCs/OBCs/ Minorities, through specially designed activities in the programmes best suited to their skills and requirements.' However, there is no spelling out of detailed and actual policy mechanisms that ought to be put in place to achieve the stated objective. If anything, the suggestion that it makes about merger and rationalisation of such schemes may end up diluting their quantitative significance.

Welfare of the Marginalised in 2003-04 Budget

1. The real per capita budgetary allocation for total SC/ST welfare has declined from Rs 39.2 in 2002-03 Budget to Rs.36.9 in 2003-04.
2. Even the miniscule capital account allocation for family welfare has found no mention in the Budget allocation for 2003-04.
3. The share of housing in total capital account allocation for social sectors is still much less than the figure for 2001-02.
4. Not even one percent of the total budgetary allocation is meant for capital outlays in Social Sector.
5. As a proportion of total revenue and capital account expenditures, the social sector experienced a decline.
6. Funds to the Rashtriya Mahila Kosh have been granted only Rs 10 million in the budget estimate of this year

Source: The Marginalised Matter, CBA, 2003.

Possibly the significant essential shift in the government's policy perspective, as reflected in the Tenth Plan document, is ever-greater reliance on the private sector.

The document hopes that the government will be able to 'motivate the private and corporate sectors to invest in the welfare and development of weaker sections and thus fulfil their social obligations and responsibilities.' But there is no attempt to provide any grounding for such a hope. And where has the private sector fulfilled its 'social responsibilities' on any significant scale to address the basic needs of the economically and socially disadvantaged sections? Is it the case that the government is washing its hands off what are primarily its own responsibilities and imagining that the private sector will do all the things that it has been grossly inadequate in addressing for more than five decades? Sure enough, private and corporate sector must be included in facilitating affirmative action for hitherto deprived groups, for which an appropriate framework in terms of incentives, legislations, enforcement, etc.

need to be spelt out and the Tenth Plan document shies away from that, but it would be sheer wishful thinking that the market can be a substitute for the state in these areas.

To the extent that one can treat the plan document as the policy framework for the five-year span (i.e., 2002-07), it seems that government is not even willing to engage in any serious manner with the most pressing economic problems of almost the bottom half of Indian society, such as not enough food, unaffordable healthcare, too few jobs etc. On the contrary, often it does not even recognise the problem. For instance, the document does not see access to food as a major problem, even through it is clear from the NSS data that there has been a very large decline in per capita calorie consumption of the poorest 40 per cent of the population over the past decade. Worse still, the relevant proposals in the document may lead to a further reduction in the Public Distribution System, as well as public provisioning for other basic needs as has been indicated earlier.

A Concluding Remark

In the opening section of this part, it was argued that in terms of its Constitutional mandate and through international declarations, India has committed itself repeatedly to a development paradigms that would ensure access to basic needs for all its citizens. Provisions for most of these have been acknowledged as enforceable rights to development by the Indian judicial system.

Nonetheless, the worst manifestations of poverty continue to afflict large sections of Indian population, which has been the gravest failure of India's development strategy since independence. It also

appears that the currently ascendant neoliberal globalisation agenda is making the material and social conditions more difficult and fragile for the underprivileged economic and social groups, thus making it even for difficult for the much cherished, promised, and even constitutionally and sometime legally mandated rights to development to be realised. But then, the right to have rights (as Hannah Arendt once put it), is never given on a platter, and the history of how such rights were realised in different societies can be quite instructive in this regard. The current economic policy regime in India does not inspire the confidence that we are on the right track.