



Graduate School of Development Studies

**Chronic Poverty and Hunger in KBK Region of Orissa:
Identifying Causes in the Perspective of a Case Study in
Watershed Development Project in Nabarangpur District**

A Research Paper presented by:

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in partial fulfillment of the requirements for obtaining the degree of
MASTERS OF ARTS IN DEVELOPMENT STUDIES

Specialisation:
**Rural Livelihood and Global Change
(RLGC)**

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The Hague, The Netherlands
November, 2008

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List of Acronyms

ACA-Additional central assistance
APL – Above poverty line
BDO- Block development Officer
BPL – Below poverty line
CAG- Comptroller and Auditor general of India
DWDC-District watershed development Committee
EAS- Employment assurance scheme
[EPA- Entry Point activity](#)
[HYV- High yielding varieties](#)
IAS- Indian administrative service
[JFM-Joint forest management](#)
KBK- Kalahandi, Bolangir, Koraput
MAP- Micro-action plan
MB- Measurement Book
MPCE- Monthly per Capita Expenditure
NTFP- Non timber forest products
NREGS-National rural employment Guarantee scheme
NREGA- National rural employment guarantee act
OAS- Orissa Agricultural Statistics
OAS- Orissa Administrative service
ODR- Orissa Development Report
OES- Orissa Economic Survey
OHDR- Orissa Human Development Report
ORSA- Orissa Remote Sensing Agency
PIA- Project Implementing Agency
PRA- Participatory Rural Appraisal
RLTAP-Revised Long term action Plan
[RRB- Regional rural banks](#)
SC – scheduled caste
ST- Scheduled Tribes
SAO- Statistical abstract of Orissa
SGRY- Sampoorna Gramin Yojagar Yojana
WARASA- Watershed Areas Rain fed Agricultural System Approach
WA- Watershed Association
WC- Watershed Committee
WDF- Watershed Development Corpus Fund
WDT- Watershed development Team members

Abstract

Viewing the poverty in the KBK region of Orissa as dynamic, severe and multifarious, this paper uses income poverty and multi-dimensional poverty, social exclusion, gender, violence and policy approaches to identify the causes of chronic poverty in this region. Spatial disadvantages of the KBK region in terms of remoteness, agriculture based subsistence economy and depleting income from NTFP are major factors contributing to chronic poverty. Moreover, the social exclusion of tribal and lower caste populations from participation in social, political and economic processes creates conditions for the persistence of chronic poverty among these groups. A predominant set of values, beliefs and institutional procedures operate systematically and consistently to the benefit of 'higher' caste people at the expense of others. Neglect of a gender analysis in developmental policies and the treatment of households as a unit for BPL enumeration is another cause of chronic poverty in this region. Despite many women acting as economic backbones of their families, heavy liquor consumption by men and violence against women does not help these families to escape poverty. Finally, government anti-poverty programs have also remained ineffective due to top-down policies, manipulation in participatory programs, faulty methods, and politics of BPL people, beneficiary selection, and leakage of growth. Multidimensional deprivation owing poor public services creates cumulative causation of poverty. Lastly, even though migration is a common phenomenon in this region it is limited due to lower skill levels and exploitation by the middlemen.

Chapter 1

Introduction

1.1 General Background

Generally the concept of poverty relates to socially perceived deprivation of financial well-being with respect to basic minimum needs. In the Indian context, poverty is measured in terms of a specified normative poverty line reflecting the minimum living standard of people. Planned intervention in the rural poverty scenario in India can be traced back to the beginning of the planning in the early 1950s. The government in independent India has not only worked for accelerating economic growth and development through various five years plans, but also it has been implementing various anti-poverty schemes such as community development programs in 1952 to National Rural Employment Guarantee Act in 2006. Owing to such planned interventions, the poverty ratio in India reduced from around 51.32 % in 1977-78 to 26.1 % in 2004-05 (Table1).

In certain pockets of India poverty remained significantly high and has been persisting for decades. Persistent high-level poverty exceeding 30%, have mostly occurred in 5 states such as Orissa, Bihar (including Jharkhand), Madhya Pradesh (including Chhattisgarh), Assam and Uttar Pradesh (including Uttaranchal) (Mehta and Shah, 2003:492-493). Chronic poverty describes the situation of people who are poor for significant periods of their lives, pass their poverty on to their children, and overcoming poverty is difficult for them. It is reported that India has more than one third of total chronically poor people in the world (Chronic Poverty Report, 2004:9).

Orissa, with a population of 36.8 million (2001 census), is the poorest state of India for decades. For instance, the rural head count ratio of poverty in Orissa was 77.3% in 1973-74, 47.08% in 1999-2000, and most of the poor people are chronically poor (Meher, 2001). About 85% of Orissa population is rural and the rural-urban poverty ratio is 48% versus 43% (NSS Report, 1999-2000). The annual per capita income is very low and is estimated to be approximately US\$250 (World Bank report no-39855 IN, 2007: 3).

One of the key features of chronic poverty in Orissa is regional disparities. There is considerable variation in incidence of poverty within Orissa, with the coastal areas generally being more developed and having a lower poverty rate; the interior is less

developed and has very high rates of poverty. Disaggregating the income poverty data of NSS (1999-2000) into 3 regions of Orissa, it was found that rural poverty in coastal Orissa was 32%, in North Orissa 50% and 87 % in South Orissa, which covers most of the KBK districts of Orissa (Haan and Dubey, 2005:2322). The 3 undivided districts such as Kalahandi, Bolangir and Koraput are called KBK districts and the area coming under these districts is called KBK region of Orissa. Along with these 3 districts, Phulbani belong to the southern part of Orissa. The KBK region is especially found to be chronically backward, underdeveloped, and form the most poverty-stricken belt in India with about 71.97 % families living below poverty line (Meher, 2001).

This paper focuses on key reasons behind persistence of chronic poverty in KBK region of Orissa. This paper examines the chronic poverty of this region with three lenses: spatial disadvantages, social identity and policy approach. Firstly, the spatial disadvantage section will cover the remoteness, infrastructure, availability of public facilities and economy of the region. With regards to social identity, it will address the reasons for high-rate incidence of poverty among socially deprived people such as ST in KBK region and processes of exclusion in different spheres of activities in the society. Along with caste based discrimination, it also examines whether gender based discrimination in society have any significant contribution to chronic poverty in this region. Lastly, special government interventions in this region have remained largely ineffective with the poor people drawing the least benefits out of them.

Starvation deaths, selling children, eating leaves and non-edible objects for survival in this region has always been a focus for national media coverage. Acute poverty and starvation deaths are nothing new for KBK region of Orissa. Starvation death in Kalahandi and Koraput rocked the country's conscience since 1987. There are many special programs by the Central and State Governments to reduce poverty in this region. Given this backdrop, the present study aims to investigate some of the key reasons for chronic poverty in KBK region of Orissa through a case study analysis of a watershed development project in Nabarangpur district.

Profile of KBK districts

The KBK districts which were originally 3 in number (Kalahandi, Bolangir and Koraput) which became 8 in 1992 after restructure of the geographic region by the Government. The 8 districts of KBK now are Kalahandi and Nuapada forming a part of undivided

Kalahandi ,Bolangir and Sonepur forming a part of undivided Bolangir and Koraput ,Malkanagiri, Nabarangpur and Rayagada forming part of undivided Koraput.

1.2 Demographic Feature:

The KBK districts are predominantly resided by the depressed category of population such as the scheduled castes (SC) and the scheduled tribes (ST). The SC and ST population in this region together constituted 54.6 % of the total population (2001 census). The entire KBK region is exclusively rural in character with more than 90% of its population residing in rural areas as against 85% at the state level (ODR, 2002:320). However, the region shows a very unusually favourable sex ratio. It varies from lowest of 966 females per thousand males in Sonepur district to highest of 1028 in Rayagada district (SAO, 2008:6). As per 2001 census, the sex ratio for Orissa was 972 against 933 at all India level. Among the Indian states only Kerala with the highest level of literacy, lowest infant mortality rate and highest life expectancy rate in the country showed a favourable sex ratio of 1058 females per 1000 males. The favourable sex ratio in KBK region with low birth rate and high death rate may be due to the migration of males to other states (ODR, 2002:320). Therefore, the favourable sex ratio of the KBK region is not a reflection of demographic transition and economic development; whereas it is a reflection of economic backwardness and distress migration of males.

1.3 Poverty in KBK districts

Rural poverty in Orissa is found to be highest in India. In such scenario, the incidence of rural poverty in the KBK region is found to be more proliferating.

Table 1: Incidence of Poverty in KBK region Vis-a Vis Orissa, other States and India, 1977-78 2004-05

(Based on MRP consumption)

State	People Below Poverty Line (%)					
	1977-78	1983	1987-88	1993-94	1999-00	2004-05
Haryana	29.55	21.37	16.54	25.05	8.74	9.90
Kerala	52.22	40.42	31.79	25.43	12.72	11.40
Orissa	70.07	65.29	55.58	48.56	47.15	39.90
KBK region		81.3	82.6	71.40	89.14	
Punjab	19.27	16.18	13.20	11.77	6.16	5.20

Tamil Nadu	54.79	51.66	43.39	35.03	21.12	17.80
ALL INDIA	51.32	44.48	38.36	35.97	26.10	21.80

Source: Planning Commission, Govt. of India. Cited in Orissa economic survey 2007-08

1.3.1 Levels of poverty - KBK versus Orissa, India and other states.

Though the poverty ratio in Kerala and Tamilnadu was same as Orissa after independence (Table 1), Orissa continues to be one of the poorest states in India, where currently 39.9% population are poor (OES, 2007-08). As per the estimates of the Modified Expert Group of Planning commission (2000), the percentage of people living below poverty line in KBK region was 89.14% against 47.15% in Orissa and 26.1% in India. Compared to other states of India, the KBK figure is exceptionally high: percentage of BPL population in Haryana, Punjab and Kashmir in 1999-2000 was 8.74%, 6.16% and 3.5% respectively (ODR, 2002:246).

The KBK region has been historically poor for several years. The percentage of poverty was 81.3% in 1983, 82.6% in 1992, and in 1997 it reduced to 72%, but increased to 87.14 % in 1999-2000 because of effects of displacement and land alienation in the wake of economic liberalization and initiation of numbers of infrastructural and mining projects (Shah et al, 2004:15).

Table 2: Indirect estimates of incidence and relative extent of chronic poverty in Orissa, 1993-94

Region	Incidence of chronic poverty (very poor as % of rural population)	Poverty gap	Chronically poor as % of all poor
Northern	18.99	10.41	41.60
Southern	34.08	18.78	49.38
Coastal	19.03	10.21	41.95

Source: Padhi et al, CPRC -IIPA working paper 27

Mehta and Shah (2003:492) reported that KVK region of Orissa is one of the poorest regions (including 10 other regions) in India where the poverty incidence is very severe and 34.08% people of rural areas of this region were very poor, 69.02% were poor and the square poverty gap was 6.83 in 1993-94. Furthermore, severity of poverty can be expressed in terms of hunger and lack of availability of two full meals a day. Hunger is especially severe in rural Orissa where more than 15% people are unable to access two

full meals a day. This is more severe in the southern part of Orissa (ibid). Severe poverty and starvation deaths are common in KBK region.

1.3.2 Regional disparities of Poverty in Orissa

Table 3: Regional poverty Incidence in Orissa (1983 to 1999-2000)

Year	India	Orissa			Southern region Of Orissa			Coastal region			Northern region		
		Rural	urban	total	Rural	Urban	Total	R	U	T	R	U	T
1983	45.57	68.43	49.66	66.24	80.76	45.48	79.08	57.97	46.15	56.49	75.22	54.35	72.28
1987-88	39.31	58.62	42.58	56.75	82.98	52.93	80.29	48.37	42.11	47.67	61.01	39.90	58.16
1993-94	35.95	49.80	40.68	48.91	68.84	41.94	66.07	45.33	47.24	45.57	49.80	40.68	48.64
1999-00	25.87	48.13	43.51	47.37	86.16	43.97	81.28	29.30	41.65	31.51	50.98	45.81	50.10

Southern region: Kalahandi, Koraput, Phulbani (1991, before division into 30 districts)

Coastal region: Baleswar, Cuttuck, Puri, Ganjam

Northern region: Bolangir, Sambalpur, Dhenkanal, Sundargarh, Keonjhar, Mayurbhaj

Source: Official NSS data, as calculated by A.Dubey (2003)

As per 3 NSS regions of Orissa (Southern, Coastal and Northern), the northern and southern regions are more poverty stricken as compared to coastal region. The southern region is the poorest region of Orissa exhibiting extreme poverty conditions. The poverty ratio of northern region has decreased significantly from 1983 to 1999 (72.28% to 50.10%). Though both the northern and southern regions share similar features such as high concentration of Scheduled tribes, there was remarkable increase in head count in southern Orissa. The reason for this increasing trend of poverty ratio in southern Orissa will be further explored in the following chapters.

1.4 Social exclusion and poverty by social groups

The key aspects of poverty in KBK region of Orissa is that “lower caste” social groups (ST and SC) are discriminated with respect to “higher caste” social groups. Social exclusion from participation in political, economic and social processes creates conditions for the persistence of chronic poverty.

Table 4: Poverty by social groups within regions in Rural Orissa

Region	1983-84				1990-2000			
	Poverty ratio(%) by Social groups				Social groups wise HCR			
	ST	SC	Others	All	ST	SC	Others	All
1	2	3	4	5	6	7	8	9
Coastal	64.0	61.3	35.4	41.7	66.63	42.18	24.32	31.34
Northern	79.1	63.8	55.7	65.1	61.69	57.22	34.67	49.81
Southern	85.5	63.7	54.7	68.5	92.42	88.90	77.65	87.05
Orissa	79.1	62.6	43.8	55.1	73.08	52.30	33.29	48.01
India					44.35	35.44	21.14	26.50

(Note: ST-Scheduled caste, SC- Scheduled tribe, HCR- Head count ratio)

Source: 1 – Column 2 to 5: As reported in Panda (2000) cited in ODR 2002

2- Column 6 to 9: Official NSS data, as calculated by Haan & Dubey (2005)

It is revealed from the table above that the poverty head count among SC and ST is very high compared to higher caste groups in India. The head count is ever more prevalent in KBK region. Among these 2 deprived groups, poverty among ST is more severe than SC in Orissa as well as Southern region.

Haan and Dubey (2005:2325) reported that the trend of poverty reduction in Orissa and KBK region is different than other regions in India. The STs of Orissa experienced the least reduction in poverty from 1983 to 1999 (only 14%) as compared to 23% among other groups and 20% among SC. Since the STs account for 38% of the total population in KBK region, the poverty reduction trend for KBK was like Orissa.

Secondly, with respect to Orissa's politics, higher caste political leaders of coastal areas dominate the state politics even though there is reservation for lower caste people (Haan and Dubey, 2005:2327). Because of low education level and less experience among political leaders of KBK region, politics has very weak roots in this region and the public action by the marginalised group is also limited. With regards to present political system, most of ministers of state cabinet of Orissa are from coastal areas and only one minister from KBK region.

Lastly, there are significant differences in development indicators between different social groups in KBK region. For example, 82% of the ST population of the KBK region is illiterate (ibid: 2323). Added to this, the student drop out rate among the STs and SCs is very high. In 2000, the drop out rate at primary level was 63% for ST children and 52% for SC children (OHDR, 2004). Furthermore, the IMR in southern region (KBK region) of Orissa is very high (74) and 50% of children in KBK region are not completely immunized (World Bank Report, 2007:5). There are disparities in health

care delivery systems: 37% of ST women are deprived from antenatal check-up against 15% from other groups (ibid).

1.5 Gender discrimination in KBK region

Women in KBK region of Orissa face discrimination in all spheres. The 33% reservation for women in formal grass root politics (Panchayat) is still not effective as they are not able to exercise their power mainly because of the patriarchal nature of society. The female literacy in the KBK region is abysmal and is below 30% (OES, 2007-2008). High maternal mortality rate shows that women are in a disadvantageous condition when it comes to health benefits. Moreover, average wage rate for female workers is much lower than the male workers (Mallick and Meher, 2002).

1.6 Developmental Stagnation of KBK Region:

HDI is the basic measure of human development and it would be useful to see how Orissa has performed in terms of these indices.. Amongst the 15 major states of India, the HDI for Orissa was the fifth lowest in 1981, fourth lowest in 1991, and again the fifth lowest in 2001, even though the absolute value of the index has risen between 1981 and 2001 by 51.3% (OHDR, 2004). Though Orissa's position was not the least, it was very low (0.404) as compare to Kerala and Punjab whose values were 0.638 and 0.537 respectively. Within Orissa, the KBK districts are very poor in HDI as compare Orissa and other states of India.

Table 5: Top five and lowest five districts of Orissa in terms of HDI value

Orissa (0.57)	
Top five	Bottom five
Khurda (0.736)	Malkanagiri(0.370) , KBK district
Jharsuguda(0.722)	Kandhamal (0.389)
Cuttuck (0.695)	Gajapati (0.431)
Sundargarh (0.683)	Koraput (0.431) , KBK district
Angul (0.663)	Nabarangpur (0.436) , KBK district

Source: Orissa Human development Report (2004), page: 7

1.7 Research objectives and Research question:

Why the KBK (Kalahandi. Bolangir and Koraput) region of Orissa is chronically poor?

Sub research questions:

- (1) What is the relative status of poverty in KBK region with respect to state, nation and global figure? Whether is there any correlation between Human Development Indicators and chronic poverty in this region with respect to multidimensional approach of poverty?
- (2) How social exclusion of deprived groups and gender discrimination contribute to incidence of chronic poverty in this region?
- (3) Why the incidence of poverty in KBK region of Orissa is high and persists for longer duration in comparison to other region of Orissa?
- (4) Why the Government interventions with reference to a case study in Watershed Development Project in one of the KBK districts of Orissa.
- (5) What are the possible alternative strategies to overcome the chronic poverty of this region?

1.8 Relevance of Study:

Poverty in southern region (KBK region) of Orissa is endemic and transferred from generation to generation. The poverty of this region and death from starvation was highlighted by national and international media in 1987 and as a result many special programs have been working here. But the poverty ratio is still very high and the following reasons are associated with the study of chronic poverty that prevails in the KBK region.

Firstly, the chronic poor of this region have a right to get benefit from development and stay parallel with mainstream society. Incidence of high level of poverty and hunger that persists in this region reflects the denial human rights, engaging in anti-social movements such as Naxalism which is a great threat to state as well as country. Secondly, the national and international goals for the reduction of poverty and human development will not be achieved unless the chronic poverty of such backward regions is addressed properly. This area is the Achilles heel of Orissa development and could bring down the state as well as country if it is not treated and transformed.

Finally, though there are a number of studies that have been carried out in the recent past (e.g. NCDS, Panda 2004, Haan and Dubey 2003, Shah et al, Padhi et al) these studies provide policy recommendations for enhancing social as well as physical infrastructure for promoting productivity growth in this region. Therefore these studies do not adequately address the situation of chronic poverty in this region and why poverty

alleviation schemes are not working well. In light of these reasons, this research identifies the shortcomings of current programs to alleviate poverty and follows a case study analysis in one of the poverty alleviation schemes known as the Watershed Development Program in Nabarangpur district of Orissa.

Analytical Frame work

In order to answer the research questions, this paper presents 4 concepts. First, it is necessary to define poverty and different dimensions of poverty. The Indian state narrowly defined poverty as income poverty and it is measured in terms of income poverty line of minimum calorie consumption. Capability deprivation such as lack of education, poor health facilities, and poor human development are the other dimensions of poverty. Second, it is important to understand the meaning of chronic poverty to clearly answer the research questions. Though chronic poverty a longitudinal concept, it simply means poverty persists long duration of life cycle of the people and transfer from generation to generation. Third, social exclusion from participation in social, political and economic processes creates conditions for the persistence of chronic poverty for the excluded and discriminated groups in terms of caste, gender, class of this region. Fourth and finally, policy approach needs to be clearly defined to better address such chronic poverty questions because in spite of many government interventions, the problem of poverty continues to persist.

Research Methods

This research uses qualitative method where both primary and secondary data are analyzed. It gives description about chronic poverty in KBK region and explains long-term incidence of poverty and ineffectiveness of government poverty alleviation programs. Primary data were obtained through two focused group discussions with beneficiaries (men and women separately) of the Jalakamini Watershed Development Project, Dangasil..

Semi-structured interviews with different stakeholders of the development project were carried out to get information about failure of this project and causes of chronic poverty in this region. There were semi-structured interviews with 5 government officials who worked in this project, six NGO activists, president and secretary of this project.

Documents collected for primary data are micro-action plan of this Watershed Development Project from DRDA, Nabarangpur, local magazines published by different agencies and local newspapers reporting the advocacy process. The source of secondary data were State Statistical Bureau reports, UNDP Human development reports, researches done by others on chronic poverty.

Limitation of Research:

The field data collection covered a small geographical area of KBK region and limited to only one poverty alleviation scheme i.e. Watershed development project. There may be some variations in other poverty alleviation programs and other KBK district of Orissa. Further, it is a very broad research which needs more time to live with people for few months and get more information from people to nullify outsider biasness which is more prevalent in tribal society. Lastly, it was difficult to get together people and conduct FGD as it coincides with rice transplanting time in this area.

1.9 Chapter design

The study is divided into 5 chapters. The first chapter introduces the profile of the KBK districts. The second chapter deals with conceptual framework and methodology. The third chapter focuses on why poverty has been persisting for such a long time in KBK region. The fourth chapter examines the root causes of failure of poverty alleviation scheme in KBK region with focus on Watershed Development Program in Nabarangpur. Finally, the fifth chapter summarizes the main findings of the study and draws policy recommendations for addressing chronic poverty in this region.

Chapter 2

Conceptual Frameworks and methodology

This chapter explores the key concept relating to chronic poverty and tries to establish the analytical frame work to understand the concept. It also attempts to describe the factors that might explain the causes of chronic poverty in particular context to KBK region of Orissa.

2.1 Inome poverty:

Defining poverty has become problematic because perspectives and dimensions of poverty has over the years widen. Poverty can be conceptualized in terms of income or consumption that identifies the notion with a short fall in consumption or income. Of the several ways to conceptualize and describe poverty, the Indian state has broadly defined it under income criteria. A poverty line represented by an income that commands a minimum calorie intake to individuals which is first defined and then estimates are made of all those people who fall below this line. The method is known as Head Count Ratio of poverty and commonly used in Indian planning and development. The official estimates are, however, based on consumption expenditure -- generated by National Sample Survey -- instead of income to estimate the number of poor.

2.2 Multidimensional poverty:

“Poverty has many dimensions and poor suffer deprivation in multiple ways, not just in terms of income (Hulme etal, 2001:20).” There is low levels of income and illiteracy, relatively high levels of mortality, poor infrastructure. People are socially excluded in terms of caste, gender, age, lack of voice and poor access to resources such as credit, land, water, and forests. In such scenario, there is cumulative causation of chronic poverty .Once it starts, it sustains for long because of different favorable intermingled factors.

The recent World Bank study (2008), “*Orissa in Transition: From Fiscal Turnaround to Rapid and Inclusive Growth*” highlights that the poverty headcount ratio, after rising

during 1993-99, has declined significantly during 2000-2005 by more than 8 % points in rural areas and 2.5 % points in urban Orissa. The most heartening about Orissa's economic transition is that growth has been most rapid in the southern (KBK) region, which was one of the poorest parts of India. This income focus study neglects other dimensions of poverty. It is also reported that the health and education sectors were lagging behind in KBK region as well as in Orissa. The IMR of KBK region is highest (74) as compare to other region as well as Orissa figure (64) (World bank report no-39855-IN 2007 :6) . Moreover, Malkanagiri , one of the KBK districts have highest child mortality rate in Orissa(100/1000)(ibid) .It is reported by one local news paper that there is increase in child mortality in the southern districts though Government has been spending lots of money for decades. The child mortality rate of Rayagada district has increased from 118 in 2002 to 125 in 2007, where as the figure is 70 for the state (Dharitri , 02/06/08, B). Further more, the literacy rate of KBK region is lowest i.e. 46 % as compare to 64 % in the state (World Bank report no-39855-IN 2007:6).

It is argued that the inter-linkages between the natural endowment-social stratification, historical processes of power structure- agrarian relations, political ideology - choice of strategy for economic development, are crucial for development. Conceding that most of these forces were historically determined, the choice of developmental strategy also got determined in turn by the same set of forces that already existed at the dawn of India's independence. It is, therefore, imperative that a clearer understanding of the genesis of poverty, especially chronic poverty is evolved through a multidisciplinary approach. This is particularly important in the case of a region such as Southern Orissa, which is faced with a situation of multiple discriminations in terms of the resource base, social identity, geographical location, infrastructural development, political representation and developmental intervention. Together these factors place the region in a disadvantaged situation that can be characterized as remote tribal areas with high incidence of chronic poverty.

2.3 Social exclusion

“Social exclusion essentially refers to the process where individuals or groups, wholly or partially get excluded from full participation, within the society (Haan 1997, 1999, 2003; Thorat and Louis, 2003).” Societal relations or institutions that lead to exclusion and cause deprivation are keys to the understanding of the concept of exclusion and

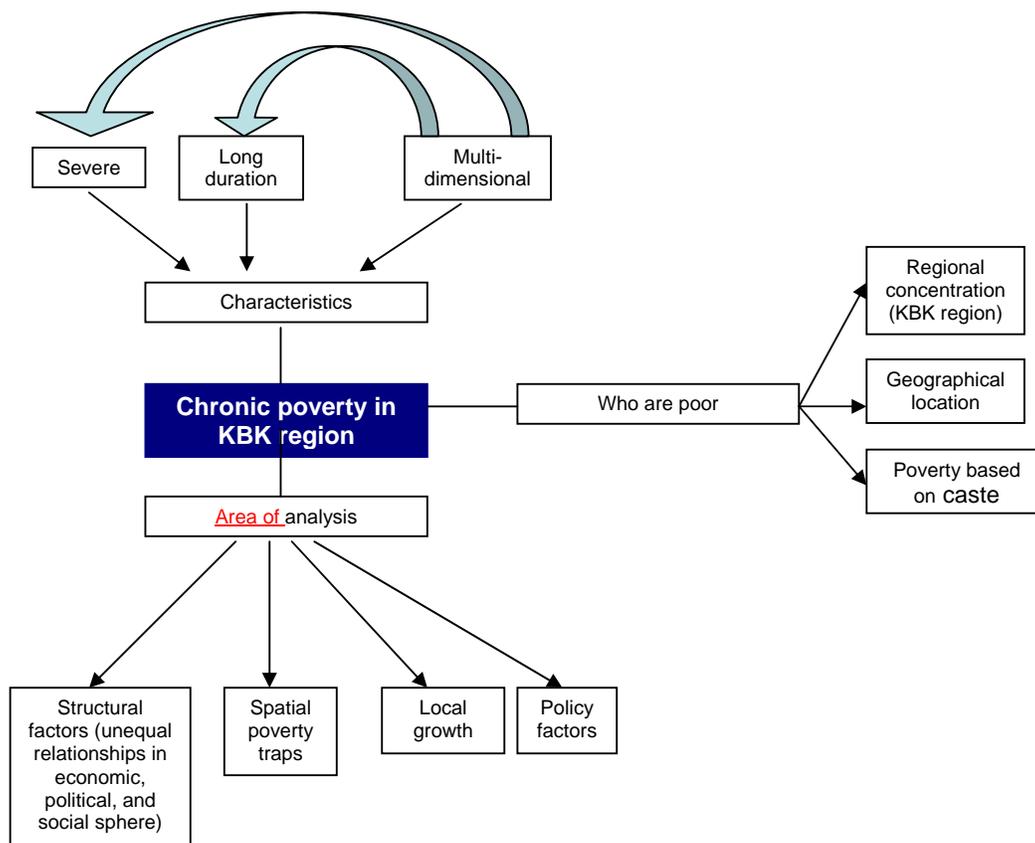
discrimination. Exclusion may occur in multiple spheres and cause diverse adverse consequences for the excluded and the discriminated social groups.

The main cause of vulnerability, discrimination and violation of rights is rooted in the distributional system of a society. On the other hand, the social and economic disadvantages are not only the results of lack of material possession but also the result of structural causes of society. According to Fraser's , economic conceptualization of injustice can be dealt with exploitation, violation, marginalization and deprivation whereas cultural forms of injustice is influenced by social patterns of representation, interpretation and communication by integrating different forms of disadvantage in the society. It is also relevant to understand the processes of exclusion and other social, economic and cultural factors which are rooted in the social structure and cultural norms and as such affecting the development of Indian society (Kabeer,N 2000,: 84). Therefore, attention on the pattern of exclusion would be helpful to think about positive measures and social policy for the affected groups.

The key aspects of poverty in KBK region of Orissa is that lower caste social groups are discriminated with respect to high caste social groups. Social exclusion from participation in social, political and economic processes creates conditions for the persistence of chronic poverty for the excluded and discriminated groups of this region.

The Scheduled Tribes are account for 38 % of the total population in KBK region of Orissa. Their isolation and exclusion is based on their ethnic identity. Historically, the STs have had a distinct culture, language and social organization. They practiced hunting, food gathering and shifting cultivation and lived in the forest regions. Exclusion in their case is in the form of denial of right to resources of livelihood and unintended and intended consequences of societal processes and policies of the Government which, inflicted considerable deprivation and poverty among them (Thorat 2000:3).

Therefore, social exclusion from participation in social, political and economic processes creates conditions for the persistence of chronic poverty for the excluded and discriminated groups. In recent years, multidimensional conceptualization of poverty has been increasingly recognized. People who are likely to be deprived multidimensional are the chronically poor. It is the combination of capability deprivation, low level of material assets and the social or political marginality that keeps people poor over long periods



2.4 Chronic Poverty

Chronic poverty describes people (individuals, households, social groups, and geographical areas) who are poor for a significant period of their lives. Their children inherit it without any escape route. Chronic poverty is therefore a longitudinal concept, referring to persistence in poverty. Thus, while many move into and out of poverty over time (transient poor), the chronic poor suffer persistently and severely in terms of deprivation. According to CPRC report 2008, “The chronically poor are commonly deprived across multiple dimensions and it is the combination of capability deprivation, low level of material assets and socio-political marginality keep them over long periods.”

2.5 Regional concentration of Poverty

Generally it is believed that chronic poverty is observed in house hold level such as women headed household, disabled person, old age people .However in Orissa, it is interesting to note that one of the region of the state (southern region) is chronically poor. There are certain regional factors pertain to this chronic poverty.

- (i) Geography: bad climatic conditions, topography of this region.
- (ii) Poor infrastructure: poor rural communication, poor electricity supply, poor telecommunication
- (iii) Poor facility for human development and well beings.

In order to break this vicious cycle of poverty, there is need of judicious government intervention to tackle multidimensional deprivation and improve human well beings.

2.6 Policy approach

There are many development policies tried in this region for several years to alleviate the chronic poverty of KBK region. There are Specific policy for targeting specific problem and common policy for universal problems.

Geographical targeting policies: location policies such as watershed development project, backward region programs and special programs i.e. revised long term policy (RLTAP).

Poverty reduction policies: EAS, SGRY, Food for Work, NREGS.

My argument is that most of the government interventions do not work well. For this reason, this chronic poverty persists for long duration in this region Therefore I have focused on one of the development projects that is watershed Development project in Nabarangpur district, one of the KBK districts of Orissa to identify some causes of failure of government anti-poverty schemes.

2.7 Water shed Development Project

A watershed is an area that drains to a common point and watershed development is a strategy to optimize soil, water , vegetation, in a watershed subject to local agro- climatic

and topographic conditions, all the purpose for the strengthening the natural resource base, supporting more productive agriculture ,improving livelihoods and reducing poverty (Kerr et al.2006).

Generally, watershed management is practiced in drought prone areas that involve harnessing rainfall, improvement measures on barren hill slopes, privately owned lands, commonly owned land and recourses in rain fed areas with people's participation. As a result, poor people can get maximum advantages by utilizing natural resources for better livelihood and income generating activities.

The main theme of this development project is to increase community participation on development programs for better success of the project. Community participation is the key instrument for this project. Community participation is defined as people acting in groups to influence the direction and the outcome of development programs that affect them (Paul 1987:20). The key aspects of this definition are people acting collectively and influencing the outcomes. The main objective of this project is that it is to be planned, implemented, monitored and evaluated by the community themselves for better outcome of the project.

Management of macro-watersheds for ecological reasons such as reduction of siltation of reservoirs has been there in India since long in the form of river valley projects. However, management of micro-watershed for ecological reasons, livelihood promotion and poverty reduction has been of recent origin. .

2.8 Researches Methodology

This research is employed different methods to achieve the objective and to answer research questions of regarding the subject. It has used both qualitative and quantitative data, applied multiple methods for the research. My past work experiences on the issue, particular state lead me to adopt multiple strategies which are helpful to gather proper information on the subject from difference sources. In this research, both primary and secondary data are used as a major source of information in order to cross check the information from different sources. Method rather looking more on the watershed development focuses on policy, implementation and social & structural aspects to analyze why government interventions on poverty alleviation are not addressing poverty in KBK region of Orissa.

This qualitative field research method is comprised:

(a) *Focus group discussions:* 2 numbers of focused group discussion was conducted separately in Dangasil village which is main village under this watershed development project. The first FGD was among male beneficiaries (35 persons) of this project and the second one among the women, and self help group members group of the watershed association (33 numbers). The 1st FGD is concerned with the perceptions of beneficiaries about the location, government policy, implementation procedure and consequences of deriving benefit from this poverty alleviation program, particularly problem they face with respect to employment, wage payment and social identity. The 2nd FGD is basically concerned with extent of real participation of women in formulation, and implementation of this project.

More over, it was discussed about gender based discrimination in the house hold level as well as societal level which promote dip into poverty instead of escaping out poverty. Additionally, it dealt with gender identity and how they have or have not gained support from existing government policies.

(b) *Semi-structured and unstructured interviews with open-ended questions:*

These interviews are link with the research and to draw out the views of different stakeholders (5 Government officials, 5 civil societies and 5 Local people representatives) on the issue of chronic poverty and poverty alleviation programs in this area. Details of the interviewee are attached in the annex. Interviews with Government officials and political activists were basically dealt with questions on the non-effectiveness of government-run poverty alleviation programs and more focus to watershed development project. The questions that related to factors of the chronic poverty in this region were interrogated to civil society activists. Whereas open-ended questions were focused on the following aspects: views on the causes and consequences of social discrimination and gender violence, as well as on the availability and access of social provisioning in this area, out migration and failure of just social protection systems. Observation method is used to see the attitudinal discrimination and some discrimination was observed among ST and SC people of these villages during focused group discussion. Moreover, participating in the “state workshop on sanitation and hygiene” in Nabarangpur district headquarters and also took some photos of this discrimination as a supportive document.

Secondary data also gathered for the study from the sources like related document from District Rural development agency(DRDA) Nabarangpur, Chief KBK administrator office, Koraput, Local and national news paper, reports, survey and

research done by Nabakrushna choudhury centre for development study(NCDS), Bhubaneswar and relevant documents from different government line departments available on the subject.

Chapter 3

This chapter provides an insight to the long persistence of poverty in KBK region of Orissa. The backwardness of the KBK region is multi-dimensional; i.e. natural, social and structural.

Spatial disadvantage

One of the prime causes of chronic poverty in KBK region is spatial disadvantage. Remoteness coupled with a particularistic crop pattern, natural resource limitation and weak economy contribute to creation of intra-state spatial poverty traps in KBK region of Orissa.

3.1. Remoteness

Though all the KBK districts are high-land districts, the region is not homogenous from the geographical point of view. The analysis of the topography of these districts reveals that the region is mainly hilly and barren (ODR, 2002)¹. These districts are far away from the state capital, which is the centre of political and economic activity of the state. Though 31% of the total geographical area is covered by these 8 districts, there is only 598 km of national highways, 1200 km of state highways and just 6328 km rural roads passing through this area against the total state figures of 3,592 km, 4,959 km and 27,402 km respectively (SAO, 2008)². Interestingly, two KBK districts namely Malkanagiri and Rayagada are totally deprived of national highways. In addition, there is only 683 km of railway routes in KBK region as compared to 2,340 km in the state. Three districts Malkanagiri, Nabarangpur and Sonepur (ibid) does not even have any railway routes.

KBK region is farthest from the main markets of the state. The poor transport system and communication infrastructure has resulted in weak economic integration of the region with the mainstream market economy. Therefore this region is persistently kept out of the growth processes of the state. Despite of non-adoption of modern technology and inputs, the tribal poor produce high quality agriculture products such as organic coffee, organic vegetables, cottons and maize. Because of the lack of value addition system and proper marketing, they sell the products to middle-men for far less

¹ ODR 2002- Orissa development Report ,2002

² SAO 2008-Statistical Abstract of Orissa ,2008

price than they deserve. It is reported that 4,114 villages (i.e. about 35 % of total villages in the region) does not have electricity even after 60 years of independence of India (OSR, 2008). Poor infrastructural facility, sluggish market economy and low skilled human resources are the major factors underlying the lack of incentives for investment in this region (ESA working paper no-07-28). These spatial disadvantages deter both public and private investors. Mallick and Meher (1999) reported that most of the villages of this region are underdeveloped in terms of infrastructure facilities and inaccessible due to poor road transport networks. Actual access to health and education facilities in the region is much poorer than the official statistics and records. There is little scope for occupational diversification and access to institutional finances, service cooperatives, and market systems. The desperate situation in this region can be assessed from an example that people bring the patient to the hospital by foot with a wooden structure (*Khatia*) from far flung areas because of non existence of road.

A backward rural economy has failed to bridge the development disparities that have long existed at the inter-regional levels in Orissa. The disparities in rural economy between KBK region and Orissa are described in the following sections: Rural Agricultural Economy, Rural Nonfarm Economy and Non Timber Forest Produce (NTFP).

3.2 Rural Agricultural Economy:

Agriculture is the mainstay of state economy and also that of the people of Orissa. The state of Orissa is primarily an agrarian economy and the share of Gross State Domestic Product (GSDP) from agriculture was 21.4% at constant price of 1993-1994 and 26.4% at current price (SAO, 2006-07). In KBK region the livelihood of most of the people depend on agriculture.

Table 6: Category wise distribution of workers in Orissa and KBK region as per 2001 census

Sl no	Work force structure	Orissa	KBK region
		<i>(Figure in parentheses represent the percentage to total population)</i>	
1	Total number of workers	14276488 (38.79%)	3386678 (46.47%)
2	Cultivators	4247661 (29.75%)	1117694 (33.00%)
3	Agricultural labourers	4999104 (35.02%)	1498282 (44.24%)
4	Workers in household industry	701564 (4.91%)	101982 (3.01%)

Source: Statistical Abstract of Orissa, 2008, Directorate of economics and statistics, Orissa, Bhubaneswar

Agrarian structure:

In Orissa, particularly the KBK region though agriculture it is a primary activity, it is not being able to contribute towards the state development as seen in Punjab and Haryana. The following subsections explore why agriculture is not providing sufficient economic well-being for the people of Orissa and KBK region.

To begin with, there is a skewed distribution of land area, where nearly one-fourth of total operational area of this region belongs in the control of a few large farmers. On the other hand, more than 75% of farm operators belong to marginal and small farmers who operate only 45.3% of total operational area even though they constitute 77.81% of total operational holdings.

Table 7: Distribution of operational holdings and area operated by size class in Orissa and KBK region

Size class of operational land holdings(Ha)	Orissa 2001		KBK region 2001	
	% of operated holdings	% of operated area	% of operated holdings	% of operated area
Marginal(less than 1)	56.41	22.73	46.57	16.75
Small (1 to 2 Ha)	27.38	30.38	31.24	28.24
Semi medium(2 to 4)	12.30	26.45	16.15	28.55
Medium(4 to 10)	3.50	16.09	5.43	20.33
Large (more than 10)	0.33	4.33	0.58	6.1
All size	100	100	100	100

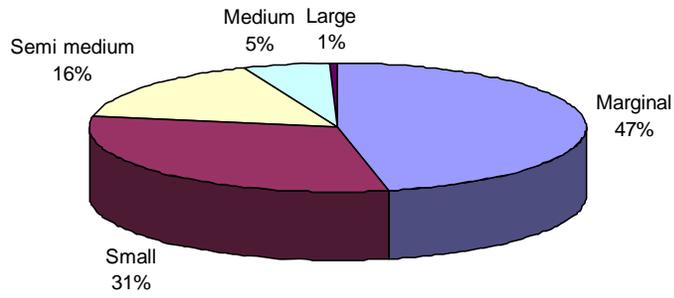
Source: 1- For the year 1991 - NSS report 48th round (1991-92) cited in ODR, 2002.

2- For the year 2001 - % calculated from data of Statistical Abstract of Orissa, 2008, Directorate of economics and statistics, Orissa, Bhubaneswar.

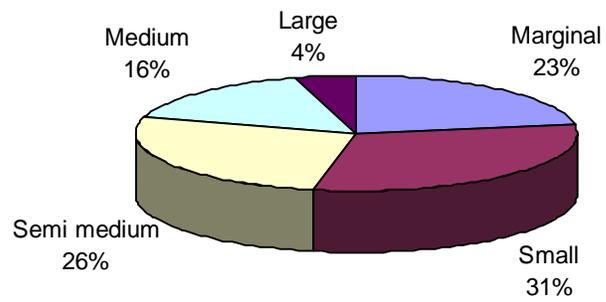
Figure 1: Size wise distribution of operational holdings in Orissa and KBK region

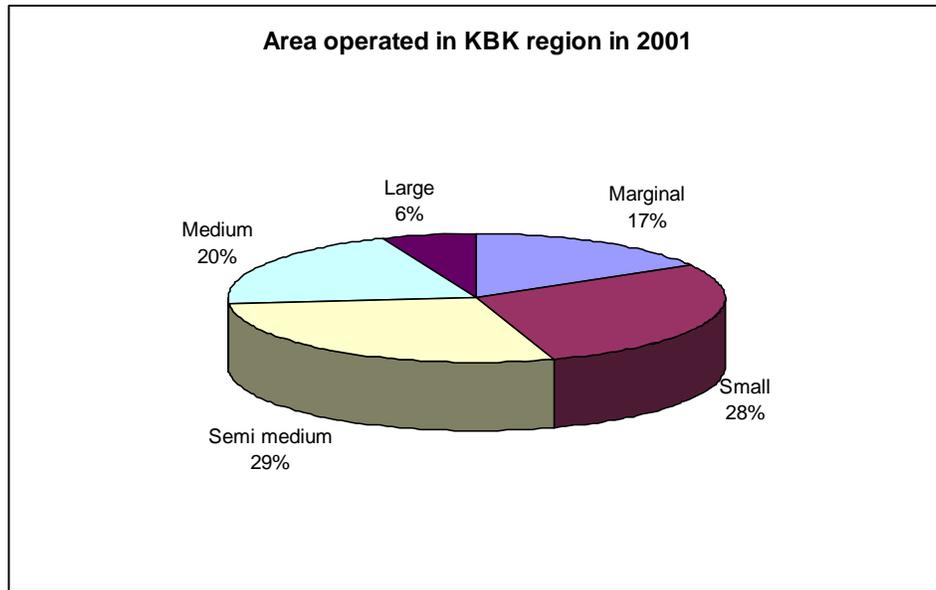


Operational holdings in KBK region in 2001



Area operated in Orissa in 2001





Predominated by marginal famers, Orissa belongs to high tenancy states in India. The percentage of area 'leased-in' to area operated in Orissa was 9.5% against 0.3% in India in 1991 (ODR, 2002). There were 690 thousand tenant holdings in 1991 which constituted 16.4 % of total operational holdings and 450 thousand hectares of land was leased which is 9.5 % of total operational area (ibid). In this respect, incidence of tenancy is more prevalent in KBK region because of congregation of large amount of land in the hands of a few big farmers.

A major manifestation of tenancy in KBK region is sharecropping as compared to fix produce and fixed money tenancy. Interestingly, it is easy for the land lords to cheat the rural illiterate farmers and therefore the landlords like the share tenancy system. The lease system is oral and informal in Orissa; so it is also easy for landlords to manipulate the system any time. In addition, the high rate of share tenancy

(50% of gross produce, where as the legally stipulated rent is only 25%), absence of inputs sharing (i.e. fertilizer, seed) and non existence of security of tenure (legal documents) adversely affects use of enhancing inputs for yield and fixed investment (ODR, 2002).

Third, land ownership shows a complicated picture in KBK region of Orissa. The average cultivable landholdings of KBK region is relatively larger than other parts of Orissa (see Table 7), but yet the SCs are badly affected. The average land holdings of SC household in KBK region is 0.44 hectare as compare to 0.63 hectares for OBC and 0.71 hectares for STs (Haan and Dubey, 2005). Even though the official estimate of average size of holdings among ST is more than other caste people, most of the lands are not controlled by them. These are cultivated by the land lords, money lenders and other caste rich persons as they usually use land as mortgage for lending money. When doing evaluation of anti-poverty schemes in Koraput and Nabarangpur district, Meher (2001) reported that the best quality land of the districts was mostly under the control of non-tribal population, particularly the upper caste Oriya of the plains and the migrant Telugu farmers of Andhra Pradesh. Though, the average land holding size of farmers in KBK region (1.55 ha) is greater than state (1.25 ha) as well as country average (1.32 ha) in 2001 (Orissa Agricultural Statistics, 2006-07). Ownership of land *per se*, is not a major issue. Also the agricultural contribution is not enough to reduce poverty in this region owing of poor agronomic potential and priority of forest ecology over crop cultivation (Shah etal 2005: 20).

Table 8: Average cultivable land holdings (1999-2000)

Social groups	India	Orissa	Southern(KBK)	coastal	Northern
ST	0.80	0.60	0.71	0.52	0.55
SC	0.31	0.32	0.44	0.29	0.32
OBC	0.72	0.58	0.63	0.46	0.70
Others	0.98	0.55	0.54	0.51	0.71

Source: Official NSS data a calculated by A. Dubey (2003)

Table 9: District wise major key indicators of Orissa during 2006-07

KBK districts	Area under food grain production (thousand hectare)	Yield of food grain (Kg/Ha)	Total food grain production (thousand metric tones)	%age of irrigated area	Fertiliser consumption (Kg/Ha)
Bolangir	356.97	1049	374.54	14.5	32
Sonepur	168.09	1768	297.22	50.9	34
Kalahandi	460.88	930	428.74	34.91	51
Nuapada	207.94	795	165.39	21.75	34
Koraput	264.58	1217	322.08	31.9	30
Malkangiri	137.65	1098	151.20	28.76	25
Nabrangpur	247.66	1488	368.47	14.2	70
Rayagada	154.29	1182	182.36	20.17	33
Orissa	6839.86	1213	8297.98	32.37	47
India		1707			104.50

Source: Orissa agricultural statistics 2006-07

Critical analysis to Agriculture in KBK region:

Though 39% of total geographical area is under cultivation in KBK region, agriculture in this region is not productive and high yielding (Table9) because of topography of the region. Among 8 KBK districts, 6 districts are under Eastern Ghat High Land agro climatic region in which most of the area is covered by hills and forests and as a result poor in agricultural output. The extent of irrigation in this region is abysmal. Only 26 % of total area of KBK districts is irrigated compared to 33% of the state (OAS, 2006-07). Haan and Dubey (2005: 2325) reported that the average land holdings of ST are larger than other caste, but these are located in marginal areas with no irrigation potential.

There is 26% irrigated area in KBK region but little opportunity is available to the small and marginal farmers. It is reported that the rich farmers and influential families of the village usually take advantage from these irrigation infrastructures (ODR, 2002:496). The rich landowning families are politically active and influence the local authority to put in place the irrigation structures such as check dam, watershed or lift irrigation in such a location, to get maximum irrigation coverage for their own lands (ibid).

The agriculture productivity of KBK region is very low as compares to the state as well as the country (see table 9). This is due to primitive agricultural practices like low resource utilization (fertilizer consumption), technology adoption (HYV seeds, farm implements) and diversification of cropping pattern (Mono cropping) (ODR, 2002).

Natural calamities like heavy monsoon rain, floods and drought are also responsible for low agriculture production. Though the rainfall is same as other regions of Orissa (an annual average of 1,378 mm), the major problem is the timing of the rain (arriving often late in agricultural season) an uneven distribution (some areas receive more than others) (Banik, 2005:50). There was incidence of 10 droughts during 1975 to 2001 (ODR, 2002:121). In order to control drought and alleviate poverty in this region, it is imperative to harvest the abundant rain water and run-off during higher intensity of rain and use it for dry period. Therefore, watershed management has been given more importance for developing the KBK region. Hence the research analyzes its impact and how it can be helpful for the poor people to get out of their poverty.

3.3 Rural Nonfarm Economy

In view of poverty, unemployment and under employment in rural areas, diversification of rural economy is seen as an important element of the development strategy. Analyzing the work force structure of KBK region, it is revealed that there is little occupational diversification. Though there is a marked shift of workers from primary to secondary sector occupation in the state, the KBK region also lags behind in this respect. While the workers engaged in primary sector has marginally declined from 85 % in 1971 to 84 % in 1991, the workers engaged in the secondary structure stagnated around 5% of total work force (ODR, 2002 :118) and even reduced to 3% in 2001 (table6).

Table 10: Comparisons of work force structure of KBK region and Orissa

	Total main workers		Primary sector		Secondary sector		Tertiary sector	
	1971	1991	1971	1991	1971	1991	1971	1991
KBK	34.05	37.99	85.15	84.38	4.88	4.89	9.97	10.73
Orissa	31.22	32.78	80.35	75.83	6.47	7.51	13.18	16.66

Source: Orissa development Report 2002

Because of low skills and education, there is little diversification in rural economy in this region. There is rise in small sectors in rural areas in Orissa, but it does not provide advantages to KBK districts. For example , there were establishment of only 651(13.6%) small scale industrial units in 8 KBK districts as compare to 4786 in Orissa in 2005-06 (SAO, 2008:99).

3.4 Forest based Economy:

Presently 35% area of KBK region is covered under Forest and the Forestry Sector. In lean months non-timer forest products provide the major livelihood support to (SAO, 2008). Apart from livelihoods support, 25-50% of the total income of the state comes from the forest products, particularly, NTFP (Shah et al). Interestingly, the significant income of the most disadvantaged sections like widow and old person come from NTFP collection such *Mahua flower, sal seed and kendu leaf* (Vasundhara, 2005).

Increase in population and simultaneous depletion of forest resources due to degradation resulting decline of availability of NTFP to the forest dwellers have also triggered poverty in KBK region. The series of mining and large scale industrial projects are the major causes of forest deforestation in this region (ESO, 2007-08). The total forest area of the KBK districts was reported to be decreased from 70% of total land area in 1960 to 38.6% in 1997 (ODR, 2002: 319). Inadequately defined property rights, absence of development opportunities and lack of transparency in state controlled management of forest resources are also contributing to this rapid degradation of forest in this region (Shah et al ,2005).

Table 11: Extent of forest degradation, Effective forest cover and Concentration of Closed forest, 1997

Region	Closed forest area as % of total forest area(Extent of degradation)	Closed forest area as % of total geographical area(Effective forest cover)	Share(%) of closed forest area in total closed forest area of the state
Northern	64.35	21.59	54.21
Southern	48.09	16.45	31.36

Source: Computed by Padhi, panigrahi and Mishra (CPRC-IIPA working paper, 27) from district level data in Govt. of India, state forest report.

In order to make the Forest management sustainable, transparent and participatory, Joint Forest Management concept emerged as a new paradigm in 1993 where communities operate as protector rather than beneficiaries of resource generation. But the concept failed to achieve desirable result. As per JFM policy, the forest department enters into a Joint Forest Management Arrangement with VSS (Van

Samrakshan Samiti) and the VSS is entitled to get 100% of all intermediate produce from jointly managed products. Therefore, JFM seeks to work on the lines of joint partnership by communities and the state, but the existential reality is different. Since the regulations over NTFP trade remain the same even in JFM areas, the ownership rights over NTFP do not get transferred or even shared with co-managers (Vasundhara, 2005). Owing to this implementation and operational inconsistencies, the local communities were deprived of the benefits (ibid).

Granting lease to private traders by government in 1989 led to monopoly of private purchasers and reduction in government procurement. Also inability of primary producers to add value to their products resulted in lower return on their labor by the primary gathers of NTFP (ibid). It was reported that NTFP collectors in the Kandhmal district received price of NTFP varying from 1/4th to 1/3rd of the minimum price fixed by government (IFAD in 2002 cited in Vasundhara, 2005:149).

Table 12: Incidence of Poverty in Mineral Rich States of India

State	% of population of below poverty line(2004/05)	% of tribal population	Rich in minerals resources
Orissa	46.4	22.21	Chromites (97.93) , Nickel (92.46) ,iron ore(50 .98)
Jharkhand	40.3	26.3	Coal (32%) Copper (25%) , iron
India	27.5	8 .2	

3.5 Rural Finance:

One of the major sufferings of the tribal in KBK region is the problem of indebtedness (ODR, 2002:465). Though there are 380 numbers of Agriculture credit co-operative societies, 210 of RRB and 139 public sector banks operating in this region, these are not helpful to rural illiterate poor (OAS, 2006-07). Poor accessibility to financial institutions, lack of working knowledge coupled with complicated procedures compels the poor to borrow money from informal institutions. Moreover, the negative attitudes of the bankers and domination of credit co-operatives turn the poor to borrow money from alternative sources i.e. local unscrupulous money lenders who charge exorbitant interest. Once the borrower takes loan from the moneylenders, they get into debt trap. Ultimately, this gives way to child labour or bonded labour systems which is an embedded prolific in this region.

3.6 Lack of work opportunities and distress migration:

Lack of employment is another key problem. Daily labor is the main source of livelihood of most of the households (see Table 6). They usually involve in agricultural work in various landlord's field during the rainy season for low wages because of suspension of government work. Though government works is supposed to start after rainy season, it is often irregular. For example in National Rural Employment Guarantee Scheme (NREGS), there is provision of providing 100 days work to one BPL household of villages, but it is not sufficient for a BPL household where 3 to 4 persons need work every day in a tribal BPL family (Ama panchayat Khabar, vol-9). Lack of enough employment promotes migration among this people. However, this migration does not serve the purpose as they usually take the route through middlemen (*dalal*). The *Dalal* and employer will agree upon a predetermined sum of money which they extort from the migrants. The employer provides only food to these workers, and keeps them in a trap. Lack of awareness, education, language problem and survival needs forces these migrants to make such choices. As per Collier (2007:94), migration is helpful to people if other family members have already moved and getting advantages from this migration. But for these people, migration is harmful from the very beginning. Therefore, migration is like the proverbial saying: jumping from the frying pan into the fire. For example, the Koraput police IG returned 12 migrant workers of Koraput who had endured torture

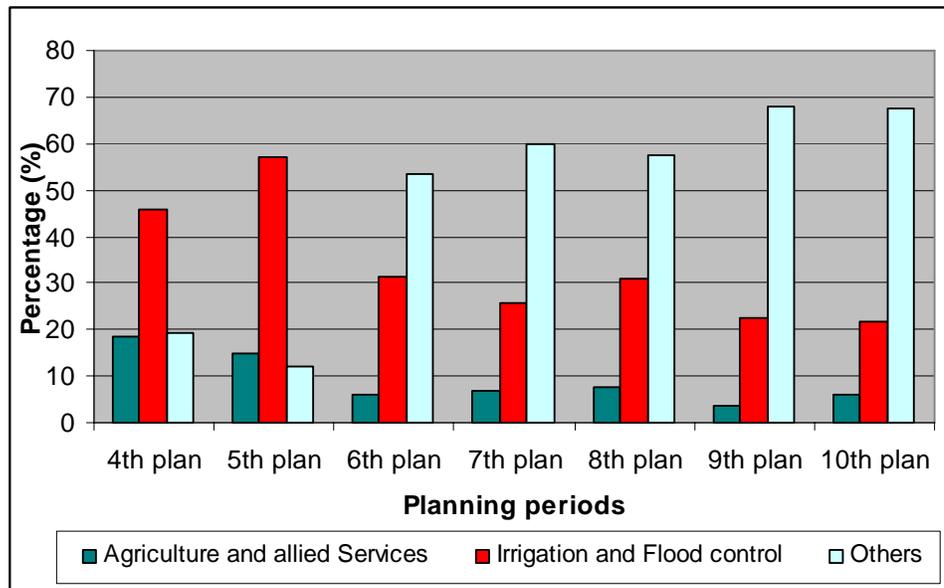
from a owner of a stone crosser in Hyderabad of Andhra Pradesh. According to them, 16 people from Sundhipanchada village of Koraput had migrated to Hyderabad for work with the help of two middlemen namely Krishna Mandal and Ranjan Khora. They usually worked 12 hours a day in the stone crosser and only got Rupees 40 (One dollar) per week. The owner did not provide them with sufficient food, and instead tortured them. It was very difficult to escape, but one day four youth who could speak little Telugu escaped. After reaching Koraput, they informed the Koraput police and the police rescued the other 12 people (Sambad newspaper, 09/08/07).

3.7. Failure of Government policy:

Policy factor plays key important role for poor people to get out of chronic poverty. If policies are not framed and executed properly, this may aggravate more than solving it. The following policy factors contribute to chronic poverty in KBK region.

Firstly, local growth of this region is not able to provide sufficient conditions for the development of the region. The economy of this region is based on agriculture, NTFP and mining. Because of poor agro-ecology and marketing system, agriculture is not sufficient to provide better economic conditions. More importantly, the investment on agriculture and allied activities shows a declining trend in Orissa from 18.65 % in 4th plan (1969-74) to 6.13 % in 10th plan (2002 to 2007) (SAO, 2008).

Figure 2: Percentage share of sectoral allocation of plan outlay on Agriculture in Orissa



Realizing the natural calamities zone, the Government has introduced the Comprehensive Crop Insurance Schemes (CCIS) in 1995, but it is limited to only farmers who avail crop loans from co-operative banks, RRB and commercial banks. With regards to national crop insurance schemes, such as National Agricultural Insurance Scheme (NAIS) which covers area-wise collective loss, it is not helpful to individual farmers (ODR, 2002). Even though the NTFP provides major income to the rural tribal people of this region, extensive use of forest resources, rampant deforestation, mining and decline of investment & managerial inputs, the condition of poor depending on forest resources has been deteriorating.

Mining economy:

Despite the disadvantages of hilly areas and natural calamities, the KBK region is endowed with natural resources such minerals, coals and ores. Like Orissa, other states of India like Jharkhand and Chhattisgarh are rich in minerals and predominantly tribal population but happen to be the poorest states of India. Mining sector in Orissa contributes to about 7.25% of GSDP during 2006-07 at 1999-2000 prices (OES, 2007-08). Moreover, the increase in mining sector was about 2.27 times from 1999 to 2006-07

(ibid). KBK region is rich in bauxite, graphite, manganese, iron, diamond and quartz (SAO, 2008). The total revenue collected by the state from major minerals in 2006-07 was Rupees 8.36 billion and out of this, Rupees 1.16 billion was collected from Koraput alone (nearly 8% of total revenue of Orissa) (OES, 2007-08).

In contrast, all the mining rich districts of Orissa fall under 150 backward districts of India as per media. Interestingly, Keonjhar, which is known as one of the most mining rich districts of India, 62% people are poor. In Koraput, known as the bauxite capital of India, about 79% people of the district are poor (The Dahrtri November, 2007).

The mining economy fails to reduce poverty in this region. It provides fewer employments of rural local people because of low education and low skills. For example, there were only 4,689 people employed in mining sector of KBK region in spite of providing Rupees 1.4 billion outputs to government in 2005-06 (ibid). Moreover, when the local people are employed in this sector, they avail low paid jobs owing to low position workers. Land alienation for mining and improper rehabilitation policy of the government has deteriorated the condition of the displaced people. Mining of minerals leads to degradation of forest, thus resulting in the loss of livelihood of poor tribal which based on NTFP. It was reported that the total amount of forest lost due to mining activities in India from 1950 to 1991, the highest amount (17%) was lost in Orissa (The Dharitri November, 2007). Therefore, mining companies, local contractors, and government get the benefits from these natural resources and the poor who live in this rich area become poorer and poorer. The Orissa Mineral Act, 1989 was framed to curb illegal mining activities and trading of ores, minerals and prevent leakage of revenue. These laws are however ineffective for this region due to its remoteness and corruption among bureaucrats, political leaders for distribution of mines to companies, and also allowing smugglers to illegally extract of minerals. With respect to building industry in mining area and promoting local growth, there are 3 big national and multinational industries such as National Aluminium Company (NALCO), Vedanta Alumina and Kalinga Steel have been functioning in this area. Still, there is agitation going on by the local tribal due to improper rehabilitation measures. So, the mining growth for these people is extractive in nature, there is leakage of economic growth from this region instead of linkage to rural poor households. Because of these cumulative advantages, the rich become richer and the poor are bereft of the benefits.

Lastly, people of this region are not getting benefits from the developmental programs. After being highlighted in national media of the starvation deaths in 1987,

special schemes were granted for these districts and it was later renamed as “KBK plan”. The plan was initially targeted for 1995-96 to 2001-02 with a project outlay of about Rupees 45.77 billion. The objective of this project was drought and distress proofing, poverty alleviation and development saturation. This plan was revised in 1998 and renamed as Revised Long Term Action Plan (RLTAP) for KBK districts which worked from 1998-99 to 2006-07 with a project outlay of Rupees 63.51 billion. Other poverty reduction and social assistance programs are being implemented by state and other agencies in this region. Still, KBK region is the one of the poorest regions of India. For this reason, a case study on “Watershed Development Project” was carried out to identify some causes why these government interventions are not working effectively in this region.

Chapter 4

A number of developmental projects have been implemented in KBK region for several decades to reduce the extreme poverty situation prevailing there. The results, however, have been meagre; it is still the most poverty-stricken belt of India. Recently, the Supreme Court Commission on the Right to Food committee reported that desperate levels of poverty prevail in Orissa in spite of the state having a lot of mineral resources. Harsh Mander, Special Commissioner of the Supreme Court, commented that the distress migration was endemic in the state while there was long gap between government programmes and their implementation (The Hindu, 20/09/2008).

This case study, based on a participatory Watershed Development Program in one of the KBK districts of Orissa, provides a micro analysis of the failure of government interventions to alleviate poverty in the KBK region. The watershed development project recently finished but an evaluation has not yet been done. After discussions with different stakeholders, local political representatives, target groups and beneficiaries, various reasons emerged as to why these government interventions have not worked properly, whether there are problems in policy level, people level, location or if it is an integration of multiple factors.

This chapter consists of three sections. The first section describes the salient features of the watershed development program in KBK region with particular focus on the Maa Jalakamini Watershed Development Project. The second section provides information about the failure of Watershed Development Program according to the different stakeholders of this project. The last section enumerates some causes for failure of government interventions to alleviate persistent chronic poverty in this region as per people, civil societies, government officials and political leaders.

4.1 Watershed Development Project

Agriculture is the primary economic activity of the KBK region. There are an estimated 1.06 million agricultural families depending directly or indirectly on agriculture for their livelihoods (OAS 2006-07). The region has 1.85 million hectares of cultivated land which is 30% of the State's net cultivable land of 6.16 million hectares (ibid). The region as a whole is highly deficient in irrigation facilities and agriculture is dependent on natural

rainfall. Because of erratic rainfall, recurrent droughts are a common feature of this region. The losses of forestry along with droughts have adversely affected the livelihoods of people. Therefore the Watershed development projects are being prioritized in KBK region to ensure sustainable management of rural resources to reduce poverty.

Watershed development projects have been implemented in KBK districts from the 9th Five-Year Plan under the National Watershed Development Project for Rain fed Areas (NWDPPRA). There are three main criteria for selecting an area to implement a WDP: an area of high soil erosion according to the ORSA map, predominantly inhabited by SCs and STs, and high poverty levels. The Government of India sanctioned funds as Additional Central Assistance (ACA) in 2002 for implementing 314 watershed projects under the Special program of KBK, RLTP. Under this program, six micro watershed development projects were launched in Tentulikhunti block of Nabarangpur district from 2002-03 to 2007-08. The case study was done in Maa jalakamini watershed development project, Dangasil in Tentuli khunti block.

Maa Jalakamini micro watershed development project covered an area of 500 hectares with a project outlay of Rupees 3 million at Rupees 6,000 per hectare for a period of 5 years i.e. 2002-03 to 2007-08 (MAP). There are 5 villages with 98 households under this development project: Dangasil, Paikasahi, Dumuriguda, Dhepaguda and Malabandh (ibid). This watershed development project was based on a holistic approach aiming at drought proofing, soil and water conservation, increase agriculture productivity, provide livelihood to landless people, and reduce rural poverty.

4.1.1 Implementing agency:

The Block Development Officer (BDO) of Tentulikhunti block is the Project Implementing Agency (PIA) of these 6 projects. The program implementation is overseen by the District Watershed Development Committee (DWDC) under the chairmanship of the District Collector who is responsible for the implementation of all watershed programs. The total adult population who falls under this project constitutes the Watershed Associations (WA) and the WA chooses 9 representatives (4 from self-help groups and 5 from user groups) to form the Watershed Committee (WC). Among these 9 committee members, at least 2 should be women members and SC/ST community should be adequately represented as per WARASA Jan sahbhagita guidelines.

The Gram Panchayat and the Watershed development Team members (WDT)³ nominate one of their members as representative of the WC. The Watershed Committee and WA, with the help of WDT, prepares the micro-action plan for 5 years through PRA and implement it after getting approval of the DWDC. Micro-action Plans of each Micro-watershed is executed through the WA and WC with the guidance of the WDT members. The WA selects a person having minimum high school level education as secretary of the project, who maintains the records and project expenditure. Along with the secretary, a president is selected to act as authority of this project.

4.1.2 Management and salient features:

The Government of India provides money to state watershed missions and then it transfers money to blocks through District Rural development Agency (DRDA). Then Block transfers money to each watershed project into a passbook opened in the name of watershed secretary, president and one of the WDT members. 22.5% of the total project outlay is earmarked for administrative overheads and the balance 77.5% is earmarked for development works at WC level (MAP)⁴. From this outlay, 50% is spent for natural resource management and employment generation, 20% for livelihood development of landowning families and the remaining 7.5% for livelihood promotion for landless families (ibid). Each work is executed by user groups and, proper measurement is done by the secretary with help of line department facilitators and watershed committee. After getting approval in the watershed committee meeting, the amount is drawn from the bank and distributed to the user group who has done the work. One of the significant features of this project is that beneficiaries have to contribute 10% of the total cost work either in terms of money or labor and this contribution is deposited in watershed development corpus Fund (WDF) in a separate passbook which is later utilized for maintenance of assets after project completion.

³ WDT members are the government line department officers such as the agriculture officer, soil conservation officer, horticulture officer, veterinary officer, fishery officer and social welfare officer, who act as facilitators for execution of work in watershed villages

⁴ MAP- Micro-Action plan of Dangasil watershed

4.2 Voice of people about the Watershed development project: Planning

4.2.1 Top down planning

As per the opinions of NGO workers, people representatives and local beneficiaries, there is a key problem in the formulation of suitable policies to address chronic poverty in this region. Policies are formulated by the centre and district level officials ignore the voice of the local people, local conditions and civil society groups; thus the actual beneficiaries do not get the benefit from such schemes. According to Program coordinator, RCDC, wrong activities are selected by the government officials and bankers in Nabarangpur district for beneficiaries under SGSY. For example, 310 tractors have been issued to women self-help Groups by DRDA, Nabarangpur in the financial year 2006-07 under SGSY. Though farm mechanization is a good idea, but the distribution of this huge number of tractors in a small district is not worthwhile to the beneficiaries. The government officials have prioritized their own personal benefits by extorting bribes from Tractor selling agencies instead focusing on people's development. Meher (2002) also observed that anti-poverty programs have limited impact on poor people of KBK districts because they were not designed according to the resource base as well as socio-cultural needs of the people inhabiting this region. Moreover, in some cases due to thoughtless planning and imposition of the schemes, the schemes either were wiped out quickly due to poor returns or the returns became so low that the beneficiary families failed to escape the vicious cycle of poverty.

Answering the critique of this top-down planning, participatory approaches have recently come to play a central role in the discourse of rural development practice and policy. The idea is that people's participation can better address the poverty problems of this region. In this scenario, the watershed development program is a participatory community management program. However, it was still unsuccessful and there were certain factors behind such failures which are described below.

4.2.2 Manipulation in participatory planning

As per WARASA guideline, there should be a 3 months capacity building phase prior to the planning phase. The planning phase lasts for 6 months. During this period, identification of problems and possible solutions are made by local people using different PRA tools and it is incorporated into a single document called the micro action.

According to views of both focused groups, the capacity building phase in this project was totally omitted and even EPA has yet to be done after one year of starting of the project. Moreover, the micro action plan was prepared after conducting just 2 meetings in the villages within one month.

Secondly, there is dichotomy in the way government officials have conducted PRA and documentation. During FGD with watershed association members, it was revealed that most of the PRA tools such as participatory mapping; social mapping, flow diagrams, seasonal calendars, matrix scoring, and institutional diagramming were not done during PRA, though it has been reported in the micro action plan. Interestingly, looking into 6 micro action plans of 6 different watershed villages of Tentuli khunti block prepared by WDTs, the problems and solutions of all 6 projects are reported equal in all respects. Clearly it indicates that people's participation remained on paper and real participation of the poor was totally ignored. Therefore, misidentification of problems and subsequent interventions were not helpful to address the real problems in this area.

Thirdly, even though only 2 meetings were conducted for PRA, it did not identify the problems of lower class (poor), lower caste people and women because there were no specific methods used during PRA for giving voice to these socially discriminated groups. Emphasizing this, it was observed during FGD that the higher castes, the local rich and educated persons usually dominate in every sphere of activity and prioritize their own benefits from the development programs. Makaru Shanta, a BPL person of Dhepguda village, hesitatingly told that they have no more interest to join any meeting (Grama sabha) as there is no space for poor people in development programs. When the WDT was asked about PRA and micro-action plan preparations, their replies were that, it was done in just one month because of the order from the higher authorities were to prepare it quickly, though guidelines were followed and desired PRA tools were used. The government officials of this region are only concerned about expenditure of money and achieving targets, but not focused on the actual outcome of the programs. Adding to this point, it is also reported that due to lack of proper planning of different development schemes at the grassroots level, the programs failed to achieve the desired goals in Nabarangpur (Meher, 2002:162).

4.3 Implementation problems:

As per the WSP guidelines, all the works either on private or government land are to be executed by the community or by the beneficiaries themselves. It is revealed from the FGD that there huge manipulation of implementation procedures and very low participation of beneficiaries. Even though there is provision for 10% contribution of the total outlay of the project by local beneficiaries in terms of money or labor, in reality no money was collected from the people but was deposited in corpus fund by deducting it from project cost (Gokul Muduli, a beneficiary).

4.3.1 Dummy contractors and low wage payment

In this participatory project, the implementation procedure is that the beneficiary works on their own project or in community resources and the watershed committee members verify the work, secretary maintains paperwork and prepares muster roll and payment is made according to government minimum wages after approving the amount in watershed committee meetings. Even though there is no provision for giving works to contractors in watershed development project and works are to be implemented by the beneficiary themselves, most of the works except plantation in private land were executed by the watershed secretary and president (Padlam Jani). These 2 persons have acted as dummy contractors and exercised power over illiterate people. Falguni shanta, a beneficiary, reported that, where works were executed by the beneficiaries themselves, they faced lots of difficulties to get the payment from the secretary, president and government officials. However, both sets of FGD participants said that payment was made to the workers in this project on a piece-rate basis such as numbers of small pits dug, numbers of saplings planted, etc. rather than by using the government minimum wage. Therefore, the amount of payment (1 dollar) that they got during their working period was very low as compared to government minimum wage (2 dollars). On inquiry with the secretary, he did not agree with this statement and argued that proof is in the case records and urged the research to verify the amount paid as muster rolls which were maintained with respect to government minimum wage.

4.3.2 High level of illiteracy and low education of beneficiaries leads to exploitation.

Because of high level of illiteracy and poor education, most of the local representatives of this project are not aware about their responsibilities, government rules

and regulations. They are exploited by educated persons in different spheres. According to Sambua Jani, Ward member-cum-watershed committee member, the Secretary always asked him to sign in meeting register, so he did it without knowing why and what amount of money drawn for what purpose, as he could not read and was only able to sign his name. He also informed that there were no regular Watershed committee meetings and usually the secretary went to the house of each committee member to collect signatures or thumb impressions for withdrawal of money without informing about the amount and purpose of the money withdrawal. Sometimes the secretary gave 1 or 2 dollars for drinking alcohol in return. In addition, another committee member also mentioned that secretary collects the signature or thumb impression from the committee members on a blank sheet of the meeting register during meetings and then manipulates the theme in the proceedings according to interest of these people. Though mandated to conduct regular watershed association meetings to make people aware of the project implementation, beneficiaries' selection and success of the program, this did not occur; instead, only one WA meeting was held throughout the 5 year project period, as per WA member Khetra Nayak. Because of low literacy and low awareness, most of the villagers did not know the objectives of the program even after working in it for 5 years. When the WDTs were interrogated on this matter, their answers were fictitious, falsely indicating that awareness was generated through training programs and beneficiaries did the development work themselves. The Program coordinator of AVA, an NGO, reported that training programs were rarely held though reported in the training register.

4.3.3 Fake beneficiary selection

As per the guideline of watershed development program, beneficiaries for different program activities are to be selected in watershed association meetings. In reality, the secretary and president are the key players for selecting beneficiaries. As per the view of Ghana Jani, the secretary and the president usually select those as beneficiaries who are favorable to them or if they have some political or economic interest with them. That means those who are educated, rich elite, politically powerful and know about the project. There is provision in the micro-action of WSP for the distribution of Bana raja chickens to landless households to supplement the income of poor households. However, most of the chickens have been distributed to rich and landowning families in this WSP as per Madan Harijan. When watershed development team members were interrogated about beneficiaries' selection, the answer was that beneficiaries are selected in watershed committee meetings and the proof is on the

meeting register. But when committee members were asked regarding this matter, they said that they are unaware about these things and they usually sign or give thumb impression in the meeting register when watershed secretary asks for this. Therefore, the real beneficiaries for whom this project is functioning are ignored.

4.3.4 No proper supervision, high level corruption and close nexus between WSP secretary and president with govt. officials.

According to WSP guidelines, the local communities are the key authority to supervise the work and the government line department officers are the facilitators of this program. Because of remoteness, low capability of people, high illiteracy levels and low awareness, the local communities are not able supervise the project works and cannot make any complaint against these irregularities according to B. Samantray, Program Co-ordinator of RCDC. As a result the president and secretary get the maximum advantages from this project. Along with them, government officials also derive some economic benefits from these projects by associating with the president and secretary. This is happening because the secretary and president are not able to do all technical things and need assistance from government officials. More power is concentrated in the hand of government officials and they take advantages of this power. There is close nexus between the watershed secretary and president, and government officials to execute the work together, spend a much lower amount of money as compared to the estimated budget, and distribute the benefits among themselves. Even in some cases a fake bill is prepared and the amount withdrawn without real work taking place. If someone complains about these irregularities to government officials, the officials sweep it under the carpet, do not inform the collector-cum-mission leader of the project and inform the secretary to suppress the complaints per Thakur Nayak. Therefore, the supervision and verification aspects of this project are very weak, which favors such failure.

4.3.5 Deprives poor from availing government benefits:

Nearly 50 percent of the villagers live on reserve forest lands; they are denied land *pattas* (title deeds) and are not included as beneficiaries under different poverty alleviation programs such as IAY.

Forest reservation in Orissa began before Indian Independence and the total area demarcated as forests, including reserve forests, protected forests and reserved lands, increased from 7,440 sq kms to 26,322 sq kms in 1948. Presently, there are

26,329.12 sq kms of reserve forest in Orissa (SAO, 2008). As per the Orissa Forest Act, anyone living on or cultivating on reserve forest lands can obtain *pattas*. Without *pattas*, banks do not provide loans to people and government infrastructure such as roads and schools cannot be built on reserve forest lands.

4.3.6 Social bottlenecks:

4.3.6. I Gender biased development programs and domestic violence in household level.

Looking into the micro action plan of WSP reveals that it is a gender biased project where there are only Rs 50,000 (1,200 dollar) budget for women out of total project outlay of total Rs 3 million (75,000 dollar). Though women are the economic backbone of family in this severe poverty stricken belt, they are severely neglected in development projects. Even though some women are economically sound due to successful micro-finance programs, structural problems such as male domination and liquor drinking are not addressed to eradicate poverty. According to Duladei Jani, a SHG member, liquor is a big problem in their society. Men rarely go for work and usually use their earnings to always drink liquor. In many cases a husband takes the earnings of his wife forcefully to drink liquor and will even sell the 25 kg of subsidized rice they get with BPL card through Targeted public distribution system (TPDS) at a higher price for liquor. The women FGD implied that usually the men have no future thinking for their family and future. Even though, husband tortures the wife, she cannot oppose due to status of the women in the tribal society and polygamy nature of male society. As women are the backbone of agriculture and household maintenance, structural discrimination sets a ceiling on their function and keeps the level of poverty of the household unchanged and also worsens it. Violence against women restricts their mobility and destroys their health (with economic costs to household and personal costs to women). So, violence against women and chronic poverty may thus be seen as mutually re-enforcing.

4.3.6 II Caste Based discrimination:

It is found from the micro action plan of this WSP that most of the BPL people in this project are from socially lower status such as SC and ST. Nevertheless, hardly

anyone was found poor from higher caste under this project and all higher caste people have much higher landholdings than lower caste people. During FGD, it was observed that the higher caste people are dominant in the meetings and favors the government officials, and government programs. Along with this, there is intra-caste discrimination between lower caste people. The SC or dalits have a very low social status in the society and are discriminated by the STs. When a poor dalit woman was selected by the teachers and education committee to cook food in the midday meal scheme (MDMS) in Dangasil primary school, a village school under this WSP, the ST people opposed her and did not send their children to school. Later the dalit woman was removed from this position (Trinath Nayak, a school teacher of Dangasil primary school).

4.4 Productivity of the project:

The project was completed in 2007 and no evaluation has been done yet. Discussions with the watershed association members on the productivity of the project and how it was helpful to the people is summarized below.

4.4 I Benefits from plantation program:

Twenty hectares of plantation was reportedly done on both government and private lands under this project (micro action plan of Dangasil watershed). But as per the opinion of local villagers, only around $\frac{1}{4}$ of the plants have survived out of total plants planted. On inquiry with beneficiaries about the low survival of plants on their land, late supply of seedlings and poor maintenance (no supply of fertilizer and plant protection materials, i.e. pesticide) were the major causes of low survival of plant in this project (Ram Hari Nayak). As regards the plantation program done on government land, community participation was very low in terms of taking care of these plants and it was maintained by secretary and president during the program period. Owing to these corrupted functionaries, it was not successful like other programs and no one took care of the government land plantation after project completion (Sanju jani, Dangasil). Therefore, it cannot be predicted how much benefit will be derived by the beneficiaries from these surviving plants after 10 years.

4.4 II water harvesting structures, irrigation facilities and agricultural productivity:

Four water harvesting structures have been excavated in this area under this watershed development project. The purpose of excavation of these ponds is to enhance

irrigation facilities in this area. Chinta Jani, whose land is near this area said that the amount of water stored by these structures is very little owing to low depth and becomes dry during summer, the amount of money allotted for these water harvesting structures was not utilized properly, but everything was furnished on paper. Moreover, these ponds are only helpful during the rainy season and only to rich landlords whose land is mainly near the water harvesting structures. These small water harvesting structures are not helpful to small and marginal farmers whose maximum land lies far from the ponds.

With respect to increasing agriculture productivity, some programs such as agricultural training, distribution of HYV seeds and modern agricultural implements are in the micro-action plan. In contrast, it was revealed from the FGD that few agricultural implements were distributed under this WDP and those which were distributed went to the rich and politically active farmers. As per Danhu Jani, the poor farmers were exploited because poor quality and bad varieties of seeds were provided which did not give much yield. He remarks that there was an agricultural training held in the villages within a time period of 5 years though there were provisions to conduct 5 training as per the micro-action plan.

4.4 III Livelihood support to landless families

The micro-action plan envisaged support to rural poor landless people to improve their livelihood and increase their incomes by free distribution of sheep, goats, chickens, masonry tools, and other livelihood resources. In reality, few items were distributed. The president and secretary had collected money from the recipients during distribution and poor were not able to give money (bribes) to them, so they were deprived from such benefits according to Gopinath Benya, a discussant. There is provision to promote micro-finance through formation of self-help groups in watershed areas among women of landless families and issue for Rupees 10,000 as corpus fund to start small business activities. During the female FGD, it was revealed that the corpus fund was distributed to six self-help groups, but the group members distributed this among themselves and group activities of these self-help groups were nil providing no livelihood capacity building support from any government officials.

4.5 Opinion of different stakeholders about chronic poverty of KBK

4.5.1 *Mode of selection of BPL people and beneficiary of development schemes*

As per the civil societies in Nabarangpur, one factor behind no effectiveness of poverty alleviation program is exclusion of the really poor from the BPL beneficiary lists in favour of rich people. Therefore, there is more leakage of programs instead of linkage to poor people. Though the income poverty line approach is one dimensional and overlooks the multifaceted nature of human deprivation, it does still yield some pertinent information on its chosen scale. However, the method of identification of BPL people and the politics of BPL selection where local political leaders and local government officials play key roles in selecting BPL people lies at the crux of the problem as per G.K Sahoo, AVA, NGO activist. Omission or inclusion in the BPL list depends on the interest of these persons. They also reported that government officials prepared the BPL list out of the household level BPL survey in the office with PRI members. Moreover, Grama or Palli Sabhas are held on paper to select BPL people where the VLW⁵ and Sarpanch⁶ play crucial roles. Hence, many really poor people are excluded from the list and non-poor people are included instead. These misidentifications of the poor and subsequent adoption of targeting are behind the many blind spots of interventions. When a BDO was interviewed regarding BPL selection, he reported that it is done as per the Government norms and rules to include poor people in the list and when there is any aberration in selection; immediate steps are taken to rectify it.

The mode of selection of beneficiaries is one of the crucial aspects of anti-poverty programs that determine the degree of success. Even after including poor people in the BPL list, they must also strive to be selected as beneficiaries in poverty alleviation programs. G.K Dash, Coordinator, IYSARA replied that most government officials such as the VLWs play key roles in selecting beneficiaries in block office run programs, and the Sarpanch in Grama panchayat run programs. Political patronage and corruption deprive many poor from development programs.

⁵ VLWs are the Village level workers and work at grass root level to implement all development works with Block development officer in each block.

⁶ Sarpanch is a people representative and head in gram panchayat which is the lowest tier in 3 tier panchyati raj system.

4.5.2 Benefits go to Contractor/middlemen, government officials in development works and low wage payment

Besides policy formulation and beneficiary selection, low wages and works executed by contractors rather than beneficiaries are key reasons why the poor did not get benefits from this development project despite hard labour. Representatives of all 5 NGOs answered that there is no project in Nabarangpur where wage payment is being paid according to the government statutory wage, but the government officials or contractors maintain the muster rolls on the basis of the statutory wage and either collect thumb impressions from the workers or put false thumb impressions on paper. Hence, the contractors in collusion with unscrupulous officials and local political leaders walked away with the major share of benefits from these poverty alleviation programs in KBK region.

As per PC Benu, NGO activist, most of the development works are executed by the contractors or by the government officials themselves even after selection of village labour leader (VLL) in the gram sabha to execute the work. The contractor or government official pays some money to VLL and do the work. It is literally called 'sale of work order'. In some cases, the VLL is selected even without conducting the Gram sabha and the VLW or Gram panchayat secretary collects the attendance from the villagers in the register. When there is a Gram sabha, the contractor usually gives money to local people to drink liquor and selects a VLL who sells the work to the contractor.

One of the important criticisms from Surendra Goroda, NGO activist is that there was no transfer of wages to the accounts of the workers in the NREGS, though this is a key guideline under this program. The NREGS norm is that wages will be transferred to the bank account of the worker after maintaining muster rolls within 15 days of work. But in reality it was observed that no one in the FGD has a bank account or passbook in the post office. Basanti Jani and Narahari Harijan said that they did not get their payment even after 3 months of completion of work and finally they were made to sign on paper for a cash payment instead. Then the Panchayat Secretary paid the amount, but they have no idea how many days they worked and how much wages they received due to illiteracy. During discussions with the BDO and Sarpanch regarding this matter, they informed that the payment was delayed due to the workers' lack of bank accounts and steps were being taken to expedite the opening of account for workers. But as per the views of civil society organizations, the BDO and Sarpanch do not intend to encourage opening of passbooks for workers and there is close nexus between Sarpanch,

Block Development Officer, and bank officials. The bankers and postal officers makes many hurdles and do not allow the workers to open accounts without savings. If the wages are transferred directly to the account of workers, the government officials, Sarpanch and contractors will not get any benefit from this program. Therefore, there is politics involved in opening bank accounts for NREGS workers.

4.5.3 Absenteeism of Government officials, high level of corruption and poor accountability of the programs

Most of the Government officials in Orissa, including IAS officers, prefer to avoid being posted in KBK region. They argue that in addition to poor working facilities and lack of proper infrastructure, KBK region does not have good (reputed) schools for children (Banik, 2005). There are many posts lying vacant for years and it hampers implementation of development programs in this region. It is reported that there are only 107 OAS officers working in KBK region though there are 171 sanctioned posts and surprisingly, there are excess numbers of OAS officers working in the coastal region than the number of sanctioned posts (The Samaj, 16/08/2008). When government officials are posted in KBK region, they view it as a punishment. If they have to go to this region, they go due to heavy pressure from the government, and their main aim is to get personal benefits instead of ensuring people's development.

As per civil societies, lack of responsibility of government officials and high levels of corruption from grassroots to state level leads to ineffectiveness of government schemes. BK Samatray, Program coordinator of RCDC, cited an example that excavation of a pond was done by tractors at night in Pujariguda village of Nabarangpur to make expenditure within the financial year of 2006-07, though it is a wage employment programme for the poor people under the Food-for-work program. There is little thought given to the sustainability and viability aspects of schemes in different sectors. To reduce corruption, power sharing between government officials and local political representatives under the Panchayati Raj system is institutes, but mutual interests of these two groups ensures that corruption is not reduced in this region.

As per the recent CAG report of the Government of India, the government officials of Orissa did mischievous activities in implementing NREGA schemes and looted Rs 5 billion out of 7.33 billion allotted (The Samaj, 04/09/2007). The CAG audit team evaluated this scheme in 48 Grama Panchayats of Bolangir, Kalahandi, Gajapati, Kandhamal and Keonjhar districts of Orissa.

4.5.4 Low productivity of poverty alleviation schemes:

Step mother attitude of government officials, weak social movement and weak functioning of civil societies, the quality and quantity of work are not up to the desired level, unviable, short lasting and are unable to provide sufficient benefits to the local poor (PC Benu, Co-ordinator, SARD).

4.5.5 Social problems

The opinion of Government officials and local political representatives are alike that there is a culture of poverty. People of this region are lazy, drunk and lack interest in their own development. Children are born and raised in poverty, and this influences them to become poor adults and pass poverty onto their own children. They usually start drinking liquor at an early age, do not attend school and work for the family's survival because of very poor economic conditions. Government officials or political leaders cannot do anything if the people are not aware for themselves, as per remarks of BDO of Tentuli Khunti block.

Politics of poverty and hunger in KBK region:

Civil societies as well as state media reports revealed that there is bad politics around the poverty of KBK region. The political leaders are always prioritizing their self interest instead of people's development and plays crooked politics with KBK poverty according to S.Goroda, NGO activist. There is a paradox in the KBK region – when the party is in power, it denies the occurrence of extreme hunger and starvation deaths in KBK; when it is in opposition, it vigorously makes public sensational cases regarding poverty. The two main political parties that have dominated Orissa politics have been the Congress (I) and Janata Dal (subsequently, Biju Janata Dal-BJD). The Congress Government was voted out of office in 1989 amid allegations of child sales, government neglect and starvation deaths in KBK region. In 1992, despite confirmation by the High Court of Orissa about starvation deaths in KBK, the ruling Janata Dal denied these deaths in KBK and Congress highlighted them. Again in 1997, there were starvation deaths in Kashipur block of Rayagada, one of the KBK districts. The ruling Congress denied the deaths this time, but the same Congress government highlighted starvation deaths in KBK in 2007, when 180 people died in KBK region because of diarrhoea resulting from non-

availability of food and non-edibles (The Hindu, 17/09/2007). With respect to local leaders, they always try to get more funds citing poverty of this region instead of emphasizing on identifying and curbing the problems of poverty. This is because of the economic and political interests embedded with these backward district allotments.

Interestingly, this nasty politics centered around poverty issues in KBK region between the two political parties within the state has also spread to the centre. The ruling BJD party set Orissa's BPL list, which includes 4.4 million BPL households as per 2002 Census. But the central government, ruled by the rival Congress party, did not accept it and ordered the state to reduce it to 3.4 million threatened deductions in central funding to Orissa. Without obeying the order of the centre, the state government again sent a similar list of 4.1 million by minorly adjusting 56 thousand BPL households. The central government finalized the list with 3.8 million BPL households on 28 August 2008 (Samaj newspaper, 29/09/08).

There is social discrimination against lower caste people by the higher castes in this region. Though there are many strong laws against social discrimination, the lower castes are discriminated in social, political and economic spheres. Because of low education levels and simplicity of lower caste political leaders, the higher caste politicians are dominant in this region (P.C. Benu, secretary, SARD). Due to some affirmative action, the lower castes get involved in politics, but this is not sufficient to fight for their people or voice their needs. First, they cannot raise their voices against government officials due to their low education levels, dominance of government officials and lack of knowledge about official guidelines. Secondly, they have to follow the principle of cooperation instead of conflict with government officials in order to earn some money utilize it for the next election. As per the opinion of Padmanabha Majhi, Sarpanch, he spent over Rupees 200 thousand (5,000 dollars) to win the last election and could only recuperate such costs by cooperating with the government officials. There is a close nexus between government officials and political leaders to derive personnel benefits from development programs instead of developing the poor. In spite of positive discrimination, the local politicians and local lower caste elite take the maximum advantages by ignoring the development of socially marginalized groups.

At the end, capability deprivations of these people led to subsequent worsening of the conditions of the poor in this region are prioritizing concern of civil societies. Weak socio-economic infrastructure, poor education and poor health facilities make poverty worse. A NGO activist from AVA mentioned that people of Paraja tribe has a

very low literacy rate and drinking low quality local liquor makes them suffer from many diseases at a young age. The wife sell their assets for recovery of husband and most of the times, the male dies at a young age. Therefore, most of the households are female headed in this community and live in extreme poverty conditions, but do not get benefits from development programs because of gender discrimination. Additionally the BPL identification methods deal with a base line, ignoring the depth of poverty. There is no separate poverty alleviation scheme for destitute and extremely poor people and they cannot come out from deep poverty through interventions equalized to all poor people in general. Meher and Mallick (2002) also reported that some people who are just above the poverty line have worked with poor people in wage employment programs. Therefore there is competition between the poor and non-poor to get work in wage employment programs.

Conclusion

Top down planning and manipulation of participatory planning fails to identify the real problems of the poor. Manipulation in selection in beneficiaries as well as BPL people deprives poor from government interventions. Symbiosis between government officials and middlemen for personal interest, high level of corruption, and absenteeism of government officials in KBK region hinders implementation process. Moreover, domestic violence against tribal women and gender blind interventions are not helpful to improve condition of people. Discrimination of lower caste people from all spheres of activities, weak social movement, low productivity of programs keep poverty traps intact. Lastly, nasty politics on chronic poverty of KBK among the political leaders of Orissa is not helpful to create strong policies to overcome long term deprivation of the region.

Chapter 5

The central focus of this chapter is to return to the key research questions and review them in the light of the evidence and insights contained in previous chapters. Therefore, the main research question and sub questions will be reviewed on the basis of secondary data, field observation and key findings.

5.1 Conclusion

Along with the high rate of incidence of poverty in the KBK region, it has been persisting for several years i.e. the percentage of poverty was 81.3% in 1983, and it increased to 87.14 % in 1999-2000. Very low levels of consumption, hunger and starvation deaths are common symptoms of severe poverty in this region. This research revealed the following factors below which have contributed towards the stagnation of poverty in this region.

To start with, spatial disadvantages, remoteness in terms of poor infrastructural facility and weak economic integration of the region is helpful for growth and development. Though agriculture provides employment to 75% of rural people, skewed distribution of land holdings, manifestation in tenancy by rich farmers, adverse ecological condition, low productivity of crops owing to primitive form of agriculture, indebtedness and low investment in agriculture are not enough for rural poor farmers to exit from long term poverty traps. In this respect, low diversification of rural economy and distress pull rural nonfarm economy has been quite beneficial because of poor human resource skills. Moreover, rapid forest degradation due to mining, industry, population pressure has been significantly affecting the livelihoods of tribals in forest areas. Though the region is rich in natural endowments such as minerals, extractive type of mining economy of this region favors government, mining companies and local contractors. It deprives the local poor and makes them worse due to displacement and improper rehabilitation policy.

With respect to structural factors, exclusion of depressed caste people such as ST and SC in social, economical and political spheres aggravates condition of the poor in this region. Moreover, predominantly habituated by tribal and multidimensional deprivation of these people contribute to cumulative causation of poverty in this region.

Political domination of higher caste politicians in Orissa and weak human resource power of political leaders of KBK region prevents the people from voicing their rights in state politics.

Though tribal women are the economic back bone of families, drinking liquor by men and domestic violence upon tribal women sets a ceiling on their functioning and by implication keeps the level of poverty of the household unchanged .

Along with these natural, social and structural factors, government interventions are also not much helpful to alleviate chronic poverty in this region. Being a poor region and highlighted for starvation death, there are many special programs as well as other common poverty alleviation programs that have been running for years. But, the effects of various program interventions are not satisfactory due to following factors. Top down planning and manipulation by government officials in participatory planning overlooks the real problems of the poor. Manipulation in selection of beneficiaries as well as BPL people deprives many of the poor from getting benefits from government interventions. Therefore wrong problem identification and beneficiary selection subsequently leads to many blind spots in the interventions. More over, close nexus between government officials, middlemen and political leaders leads to high level of corruption and low productivity of the programs. Absenteeism of government officials in KBK region and poor accountability also add to this failure. Low capability of tribal such as education, information and skill, the local elite and higher caste people take most of the advantages from these interventions. Gender blind policies and poor human development indicators among women is not sufficient enough for empowerment and avail the opportunities.

Due to failure of program interventions and poor work opportunities, out-migration is a common in this region. However, there is further exploitation by employer and middlemen to migrants because of poor education and language barriers. Lastly, playing nasty politics on chronic poverty of KBK by different political parties of Orissa is highly deteriorating the condition of the poor people in this region.

5.2 Policy implication:

Concerning over these problems of KBK region and failure of government interventions, the following two of strategies are recommended to alleviate the chronic poverty in this region: develop the place strategy and develop the people strategy.

Since the problem is location specific, “develop the people strategy” may be followed to encourage migration and mobility of the people in this region. Strong human development factors resulting in good skills of people of Kerala resulted in fruitful migration which was very helpful to these people. Therefore, more investment should be done to improve the human development factors of the people to get benefit from migration.

With regards to “develop the place strategy”, there should be a strong social movement among all political leaders to create an open atmosphere that involves civil societies, local people and government. To develop this there should be an increase in investment in agriculture, skill improvement program for RNFE, and processing of NTFP to fetch better price in market. There should be proper rehabilitation policy for displacement and provide opportunity for employment opportunities to local people in mining and industry sectors. Not only government intervention, but also empowering civil societies to create a strong social movement will be required to generate more among illiterate tribal people.

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Interviewee, FGD reporters

SL.no	Name	Designation	Address
Government Officers			
1-	Ratnakar saho	Block development officer Cum project Implementing Agency	Tentulikhunti block
2-	Umesh bagh	Watershed development team member	- do-
3-	Duryadhan jani	Watershed development team member	--do—
4-	Annarpurn Devi	Social welfare Officer	---do—
5-	Trinath nayak	School teacher	Dongasil

PRI members

1-	Narasingh Jani	Sarapanch	Tentulikhunti Gram panchayat
2-	Padmanabha majhi	sarapanch	Taragaon Gram panchayat
3-	Gerungu Jani	Ward member	Dangasil Village
4-	Sonu jani	ward member	Malabandh Village

Replier of Male focused group

Name in RP	Original name	Village
1-	Dambaru	Jaya harijan - Dongasil
2-	Ghana	Danu Jani Dongasil
3-	Deba	Sambaru Jani Malabandh
4-	Baidu	Mana jani Malabandh
5-	Thakur	Khagapati Nayak Paika sahi
6-	Rajendra	Ram Chandra Nayak Paika sahi
7-	Chaintu	Sadan Muduli Dumuriguda
8-	Narahari	Madhu harijan Dumuriguda
9-	Falguni	Dhuli Shanta Dhepguda
10-	Banshidhara	Narasingh Jani Dongasil
11-	Gokula	Arjun Muduli Dumuriguda
12-	Hadi bandu	Jaga bandhu Nayak Paika sahi
13-	Chintamni	Lalu Jani Dangasil
14-	Ramahari	Padlam Nayak Dangasil
15-	sanju	Sanya jani Dangasil

Female Focused Group

Name in RP	Original name	Village
1-	Basanti	Mongai jani Dongasil
2-	Duladei	Pusai jani Dongasil
3-	Laxmi	Danabati Harijan Dongasil
4-	Indrabati	Sambari Jani Dongasil
5-	Ahalya	Dumai jani Malabandh
6-	Padma	Purni Amanatya Malabandh
7-	Janaki	Gari Muduli Dumuriguda

8- Gurubari
9- Phula

Khudamani Nayak
Makari shanta

Paika sahi
Dhepguda

Waretshed sacreatary – Krushna jani

NGOs

1. Sri Basanta ku samantray , Program Co ordinator , Regional centre for development cooperation (RCDC) , Mother teresa road, Nabarangpur.
2. Gajendra ku Dash , secretary , Institute for youth and social action in Rural area (IYSARA) , Gandhi nagar , Nabarangpur .
3. Surendra Goroda , Joint secretary , Democratic action (DC), Paraja sahi, Gandhi nagar , Nabarangpur .
4. Pratap Chandra benu , Co-ordinator , Social action for Rural development (SARD) , main road , Gadhaba guda ,Nabarangpur .
5. Kishore Bagh , Secretary , MPPDS , Gabrielguda, Nabarangpur.
6. Gopal Kumar Sahoo , Director , Associations for voluntary Action (AVA) , Garuda guda ,Tentulukhunti , Nabarangpur .

Focus group discussion guide

Group no-

Date-

General:

- 1) What are the major problems of the people of these villages?
- 2) What are major poverty alleviation schemes are working in this village?
- 3) What benefits do have derived from these poverty alleviation programs?
- 4) What problems do have face for getting benefits from these programs?
- 5) What do you know about watershed development project?
- 6) Among you, who are the beneficiaries of this project?
- 7) What benefits have you got from this project?
- 8) What problems have you faced to get benefit from this project?
- 9) How the PRA was conducted and micro-action prepared in this village?
- 10) To what extent government officials, secretary and president did help to implement the activities of watershed?
- 11) How many time trainings and watershed association meetings were conducted in this project?
- 12) How much contribution have you made to this project so far?
- 13) What works have done in government land and what work have done in private land?
- 14) What is the present status of these works and who is taking care about these works done last years?
- 15) What factors because you become poor?
- 16) What are the social problems of this area?
- 17) To what extent political representatives are helping you I your daily life ?

Some specific questions for women Group

- 1) What problems have you faced in the society?
- 2) To what extent work opportunities are available to you?
- 3) How much wage have you got from government program and in private works?
- 4) Whether you have formed self help groups and how it is going on?
- 5) What are the major problems you face in the household?

Annexure 1: Demographic features of KBK region, Orissa and India

Sl no	Features	KBK region		Orissa		India
		1991	2001	1991	2001	2001
1	2	3	4	5	6	8
1	Geographical area(in sq.km)	47646 (30.60)	47646 (30.60)	155707 (100.00)	155707 (100.00)	3287263
2	Total population(000)	6320 (19.96)	7286 (19.78)	31659 (100)	37078 (100)	1028737
3	Sex ratio	992	997	971	972	933
4	% of rural population	90.41	89.95	86.62	85	72.18
5	%of SC population	15.81	16.25	16.20	16.53	16.20
6	% of ST population	38.74	38.40	22.21	22.13	8.2
7	% of literacy	29.13		49.08	63.08	64.83
8	Decadal growth rate of population	20.10	16.91	19.50	16.25	21.11

N.B: Figures in parentheses refer to %age.

Source: Statistical abstract of Orissa (1996 and 2008), Directorate of Economics and statistics, Bhubaneswar, Government of Orissa.

Annexure 2: Region with High Incidences and Concentration of Severe Poverty, 1993-94

Source: Based on Datta and Sharma (2002) Cited in Mehta and Shah (2003)

^a, Square Poverty gap.

State/Regions	Very Poor	Poor	SPG ^a	% of India's severely poor
<i>Rural</i>				
South Western Madhya Pradesh	42.24	68.2	9.68	2.04
Southern Uttar Pradesh	39.7	66.74	7.96	2.19
Southern Orissa	34.08	69.02	6.83	1.77
Inland Central Maharashtra	28.91	50.02	6.69	3.01
Southern Bihar	31.57	62.44	5.51	5.66
Northern Bihar	27.62	58.68	5.07	9.99
Central Uttar Pradesh	26.79	50.2	4.94	5.15
Central Bihar	24.66	54.03	4.41	5.95
Southern Madhya Pradesh	22.37	46.36	4.09	1.55
Eastern Uttar Pradesh	23.2	48.6	3.97	11.05
Total				48.36
<i>Urban</i>				
Inland Central Maharashtra	42.62	60.13	11.00	3.69
South Western Madhya Pradesh	36.6	57.14	8.83	2.28
Inland Eastern Maharashtra	38.99	59.33	8.63	5.32
Southern Uttar Pradesh	37.54	72.52	7.93	1.67
Inland Northern Karnataka	36.49	57.63	7.68	5.92
Central Madhya Pradesh	32.93	53.68	7.15	2.25
Inland Northern Maharashtra	32.28	56.94	6.64	2.76
Southern Orissa	33.53	45.64	6.29	0.51
Southern Madhya Pradesh	27.9	51.23	5.54	1.09
Southern Tamilnadu	24.82	48.13	4.90	3.62
Total				29.11

Annexure-3
Poverty by Social Groups in Orissa

Social Group	1983			1993-94		
	Poverty Ratio (%)	Contribution to Poverty (%)	Population Share (%)	Poverty Ratio (%)	Contribution to Poverty (%)	Population Share (%)
Rural						
ST	79.1	33.1	23.1	63.6	38.0	25.1
SC	62.6	18.9	16.6	40.5	17.8	18.5
Others	43.8	48.0	60.3	32.9	44.1	56.3
All Groups	55.1	100	100	42.0	100	100
Urban						
ST	75.8	17.2	11.7	58.6	19.3	11.9
SC	75.0	18.4	12.5	41.7	15.1	13.1
Others	43.0	64.4	75.8	31.6	65.5	74.9
All Groups	50.8	100	100	36.2	100	100

Note: - 1. ST- Schedule Tribe

2. SC- Scheduled Caste

Source: As reported in Panda (2000). Cited in Orissa Development Report -2002, Planning Commission, Government of India, New Delhi.

Annexure 4 Extent, depth and severity of Poverty in KBK region :

Distribution of BPL families in KBK region and Orissa by income group, 1992

Sl no	District	Total no. of rural families	No. of BPL families	Income group in Rupees			
				upto4000	4001-6000	6001-8500	8501-11000
1	Kalahandi	322014	279033 (86.65)	86691 (26.92)	111849 (34.73)	57696 (17.92)	22797 (7.080)
2	Bolangir	281999	238399 (84.54)	74434 (26.40)	89177 (31.62)	52507 (18.62)	22281 (7.9)
3	Koraput	529695	481851 (91.66)	159694 (30.38)	185646 (35.31)	96821 (18.42)	39690 (7.55)
4	Orissa	5296264	4110434 (79.10)	1352179 (26.02)	1567662 (30.17)	812415 (15.63)	378178 (7.28)

Source : Orissa development report 2002

Annexure-5 Percentage of rural and urban population below specified levels of MPCE, major states, 2005-06

(MPCE- Monthly per capita expenditure)

Source: Household consumer expenditure in India, 2005-06, NSS 62nd round

Sl no	State	% of rural population with MPCE		T O P 3	State	% of urban population with MPCE	
		<Rs 365 (Rs12/day)	<Rs270 (Rs9/day)			<Rs580 (Rs 19/day)	<Rs395 (Rs13/day)
1	Orissa	44.4	18.2	B O T T O M 3	Bihar	56.2	21.0
2	Chhattisgarh	44.1	14.3		Orissa	37.6	11.2
3	Madhya Pradesh	33.6	8.7		Uttar Pradesh	36.6	12.0
1	Haryana	7.0	1.4	Gujarat	13.3	1.5	
2	Kerala	3.5	0.9	Assam	8.4	2.5	
3	Punjab	2.1	0.1	Punjab	7.7	0.3	
4	India	18.7	4.5	India	21.8	6.3	

Annexure-6***District-wise population distribution, decadal growth rate, sex ratio and population density as per population census, 2001***

Sl. No.	District	Population	Male	Female	Population decadal growth rate (1991-2001)	Sex ratio (females per '000 males)	Population density per sq.km.	Literacy rate
1	2	3	4	5	6	7	8	9
1	Angul	1,140,003	587,234	552,769	18.62	941	179	68.79
2	Balasore	2,024,508	1,036,511	987,997	19.33	953	532	70.56
3	Bargarh	1,346,336	681,500	664,836	11.53	976	231	63.99
4	Bhadrak	1,333,749	675,642	658,107	20.61	974	532	73.86
5	Bolangir	1,337,194	673,985	663,209	8.63	984	203	55.70
6	Boudh	373,372	188,155	185,217	17.55	984	121	57.73
7	Cuttack	2,341,094	1,207,781	1,133,313	14.02	938	595	76.66
8	Deogarh	274,108	138,408	135,700	17.02	980	93	60.36
9	Dhenkanal	1,066,878	544,001	522,877	12.56	961	240	69.42
10	Gajapati	518,837	255,423	263,414	14.10	1,031	120	41.26
11	Ganjam	3,160,635	1,581,986	1,578,649	16.88	998	385	60.77
12	Jagatsinghpur	1,057,629	538,881	518,748	13.26	963	634	79.08
13	Jajpur	1,624,341	823,747	800,594	17.18	972	560	71.44
14	Jharsuguda	509,716	261,941	247,775	15.28	946	245	70.65
15	Kalahandi	1,335,494	667,526	667,968	18.09	1,001	169	45.94
16	Kandhamal	648,201	322,799	325,402	18.66	1,008	81	52.68
17	Kendrapara	1,302,005	646,438	655,567	13.27	1,014	492	76.81
18	Keonjhar	1,561,990	790,036	771,954	16.83	977	188	59.24
19	Khurda	1,877,395	986,886	890,509	24.99	902	667	79.59

20	Koraput	1,180,637	590,743	589,894	14.67	999	134	35.72
21	Malkangiri	504,198	252,507	251,691	19.39	997	87	30.53
22	Mayurbhanj	2,223,456	1,123,200	1,100,256	17.98	980	213	51.91
23	Nawapara	530,690	264,396	266,294	13.04	1,007	138	42.00
24	Nayagarh	864,516	446,177	418,339	10.46	938	222	70.52
25	Nowarangpur	1,025,766	515,162	510,604	21.15	991	194	33.93
26	Puri	1,502,682	763,389	739,293	15.12	968	432	77.96
27	Rayagada	831,109	409,792	421,317	16.40	1,028	118	36.15
28	Sambalpur	935,613	475,122	460,491	15.00	969	141	67.25
29	Sonepur	541,835	275,601	266,234	13.64	966	232	62.84
30	Sundergarh	1,830,673	935,601	895,072	16.34	957	188	64.86
ORISSA		36,804,660	18,660,570	18,144,090	16.25	972	236	63.08
INDIA		1,028,610,328	532,156,772	496,453,556	21.54	933	313	64.80

Source : Census of India

Annexure 7

Sl. No	District	1970s		1980s		1990s	
		CDI value	Rank	CDI value	Rank	CDI value	Rank
1	2	3	4	5	6	7	8
1	Sundargarh	0.646	1	0.620	1	0.671	1
2	Puri	0.418	3	0.476	2	0.473	2
3	Cuttuck	0.443	2	0.456	3	0.445	3
4	Sambalpur	0.411	4	0.415	4	0.407	4
5	Ganjam	0.402	5	0.353	5	0.337	5
6	Baleswar	0.297	7	0.304	6	0.332	6
7	Dhenkanal	0.231	8	0.227	9	0.314	7
8	Bolangir(undivided)	0.312	7	0.233	8	0.292	8
9	Mayurbhanj	0.202	10	0.264	7	0.273	9
10	Kendujhar	0.178	12	0.216	10	0.267	10
11	Kalahandi(undivided)	0.209	11	0.206	11	0.195	11
12	Phulbani	0.177	13	0.201	12	0.177	12
13	Koraput(undivided)	0.192	11	0.200	13	0.163	13
C.V. value (in %)		42.68	-	40.07	-	40.24	-

CDI- Composite development index

Source: Cited in Orissa development report (2002) of Meher, R.K. (1999), development Disparities in a backward region, APH publishing House Corporation, newdelhi, P.114

Annexure 8

Below poverty line (BPL) families in undivided KBK districts and Orissa, 1992

Sl No	District	Total no. of Rural families	Total no. of BPL families	% BPL families	% of BPL families by ethnic group		
					SC	ST	Others
1	2	3	4	5	6	7	8
1	Kalahandi	3,22,014	2,79,033	86.65	28.16	47.80	24.04
2	Bolangir	2,81,999	2,38,399	84.54	15.78	35.10	49.12
3	Koraput	5,29,695	4,81,851	91.66	19.58	54.01	26.41
	Orissa	52,96,264	41,10,434	79.10	21.90	29.79	48.31

Source: Socio –economic survey of rural house holds, 1992, Government of Orissa, Panchayati raj department, Bhubaneswar cited in Orissa development Report 2002.

Annexure-9

Poverty Ratio by Social Groups, Orissa and India, 1983 to 1999-2000

Social Group	Rural				Urban				Total			
	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00	1983	1987-88	1993-94	1999-00
Orissa												
ST	87.08	83.82	71.31	73.08	73.73	61.37	62.81	59.38	86.22	82.34	70.76	72.08
SC	75.99	65.75	49.79	52.30	69.53	59.52	45.46	72.03	75.38	65.35	49.39	55.08
Others	58.53	47.31	40.18	33.29	41.86	37.87	36.32	34.18	56.16	45.92	39.55	33.48
All	68.43	58.62	49.79	48.04	49.66	42.58	40.68	43.59	66.24	56.75	48.63	47.31
All India												
ST	63.89	56.31	47.05	44.35	55.30	52.26	35.67	37.42	63.27	55.93	46.29	43.67
SC	58.96	50.79	48.27	35.44	56.12	54.65	49.08	39.13	58.50	51.38	48.42	36.14
Others	40.90	33.80	31.20	21.14	39.94	36.44	28.67	20.78	40.66	34.48	30.46	21.04
All	46.51	39.36	37.28	26.50	42.32	39.16	31.70	23.98	45.57	39.31	35.95	25.87

Source: Official NSS data, as calculated by Amaresh Dubey, Cited in Haan and Dubey, 2000

Annexure-10

Comparative Productivity of Different crops among districts of Orissa, State and India in 2006-07

(Productivity in Kilogram/ hectare)

Name of District	Rice	Maize	Pulses	Oil Seeds	Groundnuts	Sunflower	Cotton	Sugarcane
Balasore	1449	1108	459	1216	1662	640	1250	65845
Bhadrak	1774	1333	597	1079	2085	807	1590	75621
Bolangir	1492	1239	343	597	1341	1103	388	78685
Sonepur	2098	1267	488	727	2109	1000	452	66062
Cuttack	1511	1092	489	1179	1699	700	1496	55655
Jagasinghpur	1495	1238	414	1556	2270	500	1955	71880
Jajpur	1365	758	402	1639	1815	035	1525	55455
Kendrapara	1124	1511	456	1923	2270	968	1738	82488
Dhenkanal	1448	889	371	681	1465	667	847	66847
Anugul	1368	897	408	412	1096	796	803	54130
Ganjam	2109	1319	437	843	1497	800	635	77405
Gajapati	1791	1412	568	470	1294	685	444	82368
Kalahandi	1119	1188	642	885	1635	1370	314	69255
Nuapada	1106	1393	403	698	1562	579	355	41010
Keonjhar	1380	830	416	278	794	1280	1487	60732
Koraput	1700	1616	428	373	1131	700	800	89360
Malkanagiri	1407	1083	412	1036	2283		805	35210
Nabarangapur	1331	3064	510	508	1399	600	723	43523
Rayagarda	1720	1722	583	357	1416	650	380	66670
Mayurbhanj	1579	1078	522	504	1108	875	656	45315
Phulbani	1400	1410	387	301	1585	548	348	15300
Boudh	1602	1380	500	548	1635	955	937	80985
Puri	1371	667	269	1654	2230	472	935	67582
Khurdha	1637	1518	427	1145	1783	616	630	59935
Nayagarh	1502	1060	300	423	1172	680	358	64235
Sambalpur	2034	1319	389	427	1078	510	645	55215
Baragarh	2047	1317	391	968	1125	500	639	76765
Deogarh	1270	1109	400	507	1256	550	610	50732
Jharsuguda	1869	1522	422	500	1128	547	608	62953
Sundargarh	1234	1189	443	391	1108	727	793	48625
Orissa	1557	1602	444	719	1599	936	635	70008
India	2084	173	594	895	860	525	392	66833

Source: - Orissa Agriculture statistics, 2006-07

Annexure-11

Characteristics of operational and tenant holdings in Rural Orissa

characteristics	1961-62 (17 th)	1971-72 (18 th)	1981-82 (37 th)	1991-92 (48 th)
Number of operational holdings(lakhs)	29.66	30.31	29.5	42.30
Area operated (Lakh ha)	42.72	41.90	42.40	47.59
Average area operated(ha)	1.44	1.38	1.45	1.13
Number of parcels per holdings (lakh)			5.02	3.10
Numbers of tenant holdings			5.06	6.92
% of tenat holdings to total operational holdings		32.34	17.35	16.37
Total operated area leased in hectares(lakh)			4.21	4.51
% of leased in area to total operated area		13.46	9.92	9.48
Area leased in per tenant holdings(Hectares)			0.83	0.65

Source: NSS report of 17th round, 26th round, 37th round and 48th round as reported in Orissa Development Report 2002.