

CHAPTER-VII

SUMMARY OF CONCLUSIONS AND SUGGESTIONS

The contour of this chapter deals with the summary conclusions and findings of all the chapters covered in the study. In addition, this chapter also delineates some suggestions pertaining to rehabilitation of bonded labour in the State of Orissa.

Chapter-I: INTRODUCTION

This chapter attempts to focus light on the genesis of bonded labour in India. It briefly analyses the evolutionary history, causes of bondage, magnitude and intensity of the problem, methodology and scope of the present study.

The study revealed that multiferous types of labour existed in ancient India. The slave labour akin to the type of bonded labour of to-day was prevalent mostly among the prisoners of war and the indebted persons who were incapable to clear their debts. In fact, bonded labour was an almost universal element in the social and economic structure of different ancient civilisations. Debt slavery was the outcome of defeat in gambling as known to early Aryans. The origin of bonded labour was inter-woven in the social fabric of caste system in which Sudras were conferred restricted social rights and were to serve the other three castes. Manu and other law givers framed laws to suit the

persuit of the governing classes. Kautilya gave serfdom his ungrading sanction as the lawful privilege of the land-owning classes.

The predominantly agricultural economy was developed on feudalistic lines and professions in ancient India were determined by birth. The social customs and the rights of religion were determined also by birth. The social customs of course, were ruthless in their demands and the system of bonded labour was the product of such an exploitative background.

The slave system in Rome, Greece and even in Ancient India was the sequel of unequal socio-economic conditions. Under such a system the debtor-creditor-relationship used to be turned into slave-master relationship. Bonded labour is the product of the evil consequences of famine and floods, precarious subsistence and lop-sided nature of Indian economy with its extreme dependence on agriculture. The course of time signaled the supremacy and dominance of privileged class over the under-privileged class as the latter were in the web of acute poverty and ignorance. Debtors were generally illiterate and did not perceive the loan amount entered and interest charged in *the* agreement. The written documents were often fraudulent showing more amount than actually lent. To add fuel to the fire,

the British anti-Industrial policy was detrimental to the self-sufficient rural economy of India.

In the post-independence period, landlords having established their supremacy over the administration, succeeded in keeping the slavery enliven. Inadequacy of workers' income to cover the living expenses even at a subsistence level seems to be the inherent factor of indebtedness.

To help relieve the sufferings and abolish the bonded labour system in this country several attempts have been made earlier, in different phases of time and in different States. The Bonded Labour System (Abolition) Act, 1976 culminated all the earlier legislative measures. The Act provides for the abolition of bonded labour system with a view to preventing the economic and physical exploitation of the weaker sections of the people. Accordingly the bonded labourers were freed and exempted from any obligation to render any bonded labour and their bonded debts were also extinguished. Provisions for economic rehabilitation of released bonded labourers have also been made.

In the State of Orissa, the system of bonded labour was traditionally practised mostly in the southern district of Koraput, Kalahandi, Ganjam and Phulbani. Worsening economic condition due to extreme form of economic prostration amongst the people are the main reasons for the outgrowth of this pernicious system.

It has been estimated by the Government of Orissa that approximately 4 to 6 percent of the agricultural labourers of this State which is about a little more than one lakh, are under debt bondage. The programme of Economic Rehabilitation of Rural Poor (ERRP) is launched to cover the rehabilitation of bonded labourers in the State of Orissa.

Few and sporadic studies have been made on bonded labour touching only the surface of the problem so far.

In the present thesis, Phulbani district (Boudh-Khondmals), economically the most backward region, with concentration of tribal people is selected for the purpose of case study. The scope of the study is confined to the agricultural sector of Phulbani. With the help of a micro-enquiry in a predominantly tribal area, the study is conducted to assess the household and economic conditions of the bonded labourers that have been rehabilitated by the time of the present study.

The objective of the case study is to evaluate the impact of development schemes on the socio-economic life of the rehabilitated bonded labourers of the area under survey. The study also aims at suggesting steps for better realisation of national objective of eradication of poverty.

Keeping the objective of the study in view, field study has been taken up in fifteen villages spread over in four blocks in Balliguda sub-division, namely G.Udayagiri, Raikia, Tumuribandh and Kotgarh. The present study includes 75 out of the 533 rehabilitated bonded labour families for the year 1983-84 and 1984-85, as ascertained from the official records and it covered more than 14 percent of the total number rehabilitated. The beneficiaries were interviewed in person with the help of a questionnaire with regard to their socio-economic conditions. The study is represented in the following chapters.

- I) Introduction.
- II) Problems of Bonded Labour in the Indian States.
- III) Features of Bonded Labour in Orissa.
- IV) A Profile of Boudh-Khondmals (Phulbani).
- V) Socio-economic Problems of Bonded Labour in Boudh-Khondmals (Phulbani)- A Case Study.
- VI) Evaluative Study of Government Policy.
- VII) Summary of Conclusions and Suggestions.

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Chapter-II: Problems of Bonded Labour in the Indian States.

Chapter II intends to explore the socio-economic perspective of institution of slavery and exploitation, manifested in various States of India. Certain crucial issues of the problem have been brought to light. The

analysis elucidates that the system of bonded labour has been prevalent in various parts of India since the ancient days. The system is founded under the ominous cloud of exploitation of a few socially and economically powerful persons on the destitutes and impoverished masses, to hold them in bondage. Debts are resorted to, due to the need of social customs and obligations like births, marriages and deaths and also the drinking habits. Problems of poverty and indebtedness have plagued the landless persons into bondage.

In Andhra Pradesh, the system of bonded labour which is predominantly found in Telengana region, is the outcome of uneven social structure characterised by feudal and semi-feudal conditions. The system of bonded labour is found in various forms such as Vetti (the supply of free labour to the landlord), debt slavery, jeethagadu and Bhagela system. The chronic indebtedness of farm labourers, mostly belonging to backward classes bring them to the brink of total economic collapse, ultimately forcing them to bondage.

The problem of bondage in Telengana seems to have revolved around the issue of marriage, because 95 percent of loans were found to have been utilised for the purpose of marriage. It is due to the acute poverty, worsened by ignorance and illiteracy, the agricultural labourers live as 'attached labourers' or 'farm servants' cling to the landlord-money-lender.

In Madhya Pradesh, the system of bonded labour is known in various names. It was known as Harwaha system in Rewa, Satna and Betul, Hali system in Ratlam, Kamia system in Chhatisgarh, Kaborani and Barasia system in Belaghat and Kandar and Mahinder system in Nimar tract. Poverty in the form of landlessness, absence of employment potentialities and large-scale exploitation by the money-lenders, traders and landlords are the intricate problems of the tribals. The full market value of the services of the labour is denied to the labourer under the Kamia system. The Scheduled Tribes, Scheduled Castes and other backward classes are the usual victims of the system. Abject poverty, indebtedness, landlessness and lack of alternative source of employment provoked a section of people to engage themselves as Kamia under the traders, money-lenders and landlords. The system of Kamia or Hali in Madhya Pradesh, is still present in dilute form with regional variations in name.

An exploitative system of bonded labour prevalent in palamu district of Bihar State is known as the Sevakia and Kamia system. Persons mostly belonging to the lower castes under this system had to mortgage their services to the landlords for a bare subsistence. Often they also pledged the services of their wives and children for the

same purpose. In Bihar, the number of serfs has been recorded to be larger than in any other part of Northern India.

In Tamil Nadu, the bonded labourers are known as Padials. The higher caste people used to exploit the lower caste workers and paid them wage rates generally lower than the standard rates. The system of bonded labour is also found among the Paniya tribe of Gudalur Taluk in Nilgiris district who are exploited by the Chettis, the local landlords.

In Kerala, the practice of bonded labour is predominant in Wynad, Cannonore, Kozhikode and Malapparam district. The system prevailed among the Paniyans and Adiyans of Wynad. Their eagerness to acquire a site for housing and job for living, from the landlord is the crucial cause of this sort of bondage. Bonded labour has assumed a ritualistic form in Vallijukavu near Manathody in Cannonore district of Kerala where an annual temple festival serves an auspicious occasion for the helpless tribals to renew their pledge of bondage to their landlords. Concentration of power and wealth in the hands of certain classes brought them affluence and the rest of the community being deprived of such privileges, was doomed to serve them.

In Karnataka State, the same set of reasons like poverty and backwardness insisted the landless agricultural labourers belonging mostly to the Scheduled Castes to mortgage their services to the village landlords for a mere livelihood. The system of bonded labour, popularly known as 'Jeethan' seemed to be hereditary and obligatory. The jeetha servant spends his whole life only in returning the interest, the capital amount borrowed remaining intact. The jeetha takes pride in richness and power of his master and consciously or unconsciously accepts the system instead of challenging it. Most of the masters known as Vokkaligas, the landed gentry, often used to win the sympathy and support of the executive machinery of the State.

In the tribal concentrated districts of Thane, Kalaba, Nasik, Dhulia and Chandrapur of Maharashtra State one can visualise the existence of bonded labour to a greater extent. On account of loans taken for marriage festivals, death ceremonies and even for repaying Government loans, the bonded labour has come to exist in almost all parts of rural Maharashtra. Manipulation of accounts by the money lenders is a common feature in this region. Instances of atrocities by the landlords and money-lenders to the bonded labourers kept by them, torture of child bonded labour and sexual exploitation of female bonded labourers have been quite numerous in Maharashtra State.

Investigations in Jaunsar-Barwar area of Dehradun district in Uttar Pradesh, revealed the existence of the system among the Kolta community. The custom of paying bride price involves these Kolta people in indebtedness. Some of them work to acquire food and clothes and meet marriage expenses; and others for repayment of debts to the money-lenders' interest. The local administration seems to be functioning in league with the exploiters in certain places. This agglomerated the sustenance of inter-generation and life long bondage in different parts of Uttar Pradesh.

The Sagri system in Rajasthan was one of the acute manifestations of usury with its attendant problem of exploitation. The Bhil tribes of Rajasthan, who need loan for ceremonial purposes usually get into the debt-trap of the crafty money-lenders. The system of Sagri got itself perpetuated for generations on account of ignorance and economic backwardness of the tribals. The enactment of bonded labour (Abolition) system law has induced the rich farmers to help each other to recover the past loans and refrain from giving further credit either in cash or kind. Recovery of loans were made through the acquisition of the debtor's animals by the creditor.

The Halpatis of South Gujarat known as Dublas or Halls came under the category of bonded labour. They were treated as domestic serfs for the whole life, and were asked

to work as forced labour in order to repay loans borrowed from their landlords. In the past, many Dublas worked as Halls in their master's field and their family members worked as domestic servants.

A perusal of the study brings into light that whatever be the name and form of bondage in different States of India, it is the result of economic exploitation caused mainly by economic and social inequality. The bonded labour finds his engulfed in the vicious circle of poverty and forced to accept the bondage. While in bondage he gets just enough for bare survival and often fails to repay his capital borrowed. Thus bondage becomes hereditary. In all the States mentioned in this study the indebtedness of the labourer is due to their extravagant or drinking habits as well as the social and religious customs. In Telengana the system of bondage perpetuates due to strong village leadership. In Bihar the money-lenders and liquor contractors command greater control over such labourers. In Tamil Nadu it is the privileged castes who act as landlord-cum-money-lenders and are in control of a large section of bonded labour. In Kerala, it is the religious festivals that determine the terms and conditions of bondage. The bonded labour did not seem to be aware of the legislations passed in the country for the purpose of their liberation and rehabilitation till the year 1976; and thus was unable to reap the benefits of legislation.

Chapter-III: Features of Bonded Labour in Orissa.

In Chapter III, the genesis of the 'Gothi' system with historical perspective has been enumerated, with reference to the State of Orissa and particularly of the district of Boudh-Khondmals (Phulbani). The system of bonded labour known as 'Gothi', has been generally manifested among the tribals and lower caste people. The origin of debt bondage could be traced to the history of the princely States in the early nineteenth century. It was essentially a form of exploitation of the landless tribals and semi-tribal groups by the unscrupulous money-lenders. The exploitative revenue policy of the British Government also enmeshed the pauperized tribals into bondage. The non-tribal immigration in the tribal belt led to the alienation of tribal lands by them. Abject poverty and miserable economic condition impelled the peasants to borrow from the money-lenders and landlords. The British Government took inadequate steps for the amelioration of the grievances of the debtors. Rather strong military actions were taken to suppress the tribal uprisings and revolts which occasionally occurred.

Imposition of heavy taxation, system of bethi and begari, stagnation of agriculture, exploitation of the peasants were the common socio-economic features during the British regime.

Debt slavery known as Kambari system in Koraput district existed due to the ignorance and impoverished conditions of the hill people. Heavy expenses on account of social ceremonies and illness made the tribals to fall in the hands of the money-lenders. Tribals and agricultural labourers of Bolangir district were exceedingly vulnerable to exploitation as a result of low income and seasonal employment.

The incidence of poverty is the highest among scheduled tribes and scheduled castes of Kalahandi district. Deprived of a fair price for their labour the tribals are usually exploited by the Sahukars. In Junagarh block of Kalahandi, there were instances of girls being purchased by the rich landlords. It has been found that abject poverty and social disabilities were responsible for sale of children. Recurring drought conditions have played havoc in Kalahandi resulting in failure of crops, food shortage and indebtedness.

In the district of Phulbani, poverty is widespread. High concentration of tribal population, lack of employment opportunities, poverty and exploitation are the hard realities of the tribals of the district. Tribals are mostly Khonds who predominantly depend on agriculture. Abundant and unorganised supply of man, over, lack of bargaining strength and the system of payment in kind were the factors resulting in low wages. Traders in tribal areas are found using defective

weights and measures. The merchants of plain generally supply the daily required articles, the prices of which are often collected in kind at the time of harvest. The produce offered by the tribals were found disproportionate for the price charged by the merchants. This led to the credit transactions which made the tribals overburdened with debt to the merchants. Once they were in the vicious circle of economic exploitation, it was extremely difficult for them to escape from this type of whirlpool.

In recent times, a new form of bonded labour known as 'Dadan Labour' has taken its birth in Orissa. Under this system, labourers are recruited by the contractors and Khatadars on the basis of a contract for a specific period from socially and economically backward sections of the society. Landless and unemployed labourers to seek some respite from almost daily tragedies are often forced to accept the offer that would bring them some income. The dadan labourers have to be content with exceptionally low wages and long, irregular working hours, devoid of adequate medical facilities, food and shelter. The dadan labourers under the wheel of exploitation of the contractors constitute a disguised form of bonded labour.

Chapter-IV: A Profile of Phulbani District.

In Chapter IV, the geographical, social and economic features of Phulbani district have been delineated. To have a rudimentary knowledge of the area under study, a

general note on different aspect of the district have been out-lined.

The district Phulbani covers 7.11 percent of the total area of the State and ranks sixth among the districts of Orissa. The low proportion of irrigation area, erratic distribution of rainfall, high periodicity of droughts and unfertile nature of the soil are the significant factors responsible for the backwardness of the district. Collection of minor forest produce is an important source of livelihood for the tribals. 'Podu' cultivation is practised in hill slopes mostly by the tribals. In the realm of institutional sources of credit no remarkable success has been achieved. Nor there is adequate transport and communication facilities. The progress in the field of electrification and lift irrigation is mild. The unorganised economy of Phulbani has given rise to different kinds of exploitations and the tribal people even now do not get a good price for the forest and agricultural produce which they sell in the market. Rural labour finds inadequate avenues of employment for the most part of the year because of limited economic activities. Phulbani does not find a prominent place in the tourist map of Orissa due to lack of amenities and non-development of existing tourist spots. Some developmental programmes are in operation for the alleviation of poverty and bring about a change in the socio-economic life of the tribals. However,

notwithstanding the functioning of development scheme, no tangible transformation in the socio-economic life of the tribals have been visualised, nor the tribal economy lifted from the morass of poverty and backwardness.

Chapter-V: Socio-Economic Problems of Bonded Labour in Phulbani District - A Case Study.

In Chapter V, a study of socio-economic conditions of the post-rehabilitated bonded labour in Phulbani district is made.

The socio-economic backwardness of the tribal people is a cumulative result of their prevailing customs, their exploitation by the money-lenders and isolation from the out-side world. The demographic composition of the area under study revealed that the percentage of Scheduled Tribes and Scheduled Castes population combined reaches a figure of 81 in Tumuribandh block, in comparison to 75.65 in G.Udayagiri 75.33 in Kotgarh and 73.97 in Raikia. The grim realities of economic constraints of the Phulbani, have been revealed in the form of low percentage of cultivable area and irrigation facilities, lack of infrastructural facilities, occupational immobility, poverty and backwardness. A family consisting of five members is gauged among most of the sample families with three dependent children. It forms more than 30 percent of the sample households. An in-depth study reveals that 19 Scheduled Tribe households out of 75 families under study

are found to have old aged dependents where as 57 households (76 percent) of the sample families have two earning members.

The deplorable economic conditions of the sample households find revealed expression when we explore the grim fact that 40 percent of the sample households possess live-stock of meagre market value; 41 percent have ordinary agricultural implements and less than 30 percent possess two rooms to live in. In spite of the incentives provided by Tribal Welfare Department of the Government, the percentage of children among the sample households that have enrolled in the school remains at 54.66 with a high degree of drop-outs. Most of the sample families maintain their lives through collection of minor forest produce and depending on agriculture. The average food consumed by the members of the sample households is far from satisfactory. Visit to hats serve manifold purpose to them like buying and selling of goods, contact for loan and marriage negotiations. The study further unfolds that lavish expenses made for social functions are the crucial reasons for the bondage for most of the sample households. More than 49 percent of the sample families are subjected to the pitiable predicament of bondage between 1 to 2 years. More than 46 percent of the sample households are found to have been supplied with land for cultivation under the rehabilitation programmes. The study further

reveals that most of the households had been enmeshed in the whirlpool of bondage under the yoke of indebtedness. Indebtedness, on the otherhand, is the product of low wage receipts and distressed selling of their produce to the money-lenders.

Chapter VI: Evaluative Study of Government Policy.

Chapter VI of the study aims at high-lighting on the constitutional provisions made and legislative measures undertaken in order to ameliorate the socio-economic conditions of the bonded labourers; and also, to evaluating the government policy of rehabilitation with a special emphasis on Phulbani district of Orissa.

Efforts to combat the system of forced labour were made in early thirties and specially after independence. Special provisions under article 23 of the Constitution of India were made to prohibit trafficking in human beings, 'Begar' and other forms of forced labour. The Government of India passed Bonded Labour System (Abolition) Act 1976, which not only defines the practice of bonded labour but also provides for the extinguishment of liability to pay bonded debt and punishment for following the practice of bonded labour.

Proper identification of bonded labour is the most important requisite for successful implementation of rehabilitation of bonded labour schemes. To accelerate the process of

identification, the Central Government issued instructions during 1980-81 to dovetail the centrally sponsored scheme for rehabilitation of bonded labourers with on going schemes. Rehabilitation of bonded labourers- both psychological and economic- is of utmost importance if the goal of Government policy on bonded labour is going to materialise.

The study also unfolds the fact that rehabilitation of bonded labourers is as high as 5212 in Cuttack and 4947 in Bolangir as against 1760 in Phulbani by the year January 1986. Of course, the non-utilisation of fund, meant for rehabilitation of released bonded labourers, indicates that the centrally-sponsored scheme of rehabilitation of bonded labour has not received adequate attention in the State of Orissa. The 'Gothi' system (serfdom) and 'Khondagota' system (a system of land mortgage) had developed due to the extreme backwardness and poverty among the tribal people of Phulbani. Notwithstanding the massive developmental measures initiated by the Government, the programme of rehabilitation of bonded labourers confronts numerous constraints in alleviating the woes of the destitutes. The official records show that in all the blocks under study, that is in G.Udayagiri, Raikia, Tumuribandh and Kotgarh, the full amount of the grant envisaged for rehabilitation purposes have not been utilised during the period 1982-85. The progress under the land-based scheme, has been obstructed as the rehabilitated bonded labourers show less interest in the uncultivable

thorny and bushy land in the absence of inputs like credit and farm implements to bring the land under plough.

It is discernible from the study that lacunae in the modus operandi of the scheme made the rehabilitation programmes less effective. Lack of understanding of socio-economic background and environmental conditions of the tribals and the implementing personnel are also responsible for such lacunae.

Specific Suggestions:

A perusal of the present study reveals that the majority of population in Orissa and Phulbani in particular is steeped in abject poverty. The low purchasing power of the people of Phulbani constrains local demand for industrial goods. Agriculture in the district has remained exposed to vagaries of nature causing uncertainty in its productivity. Thus, a combination of various complex factors like poverty, unemployment, isolation, illiteracy etc. cause indebtedness and bondage. We can visualise a lasting solution to the problem of indebtedness and bondage by hastening the process of economic development through the removal of poverty. Therefore, a few suggestions are made on the basis of this study.

(1) Identification:

A number of difficulties are confronted by the implementing agencies while in the process of identification. The document of agreement is invariably with the creditor and can not be produced by the bonded labour for the purpose of appropriate identification. The bonded labour system also prevails without signing systematic documents of agreement. The bonded labour is generally afraid of disclosing the conditions under which he has to work, due to helplessness and intimidation by his master. Therefore, it is essential to take steps to sensitise the officials concerned with the implementation of the Bonded Labour Abolition Acts to this acute human problem and its socio-economic parameters. It would be cruel to insist that a bonded labourer in order to derive the benefits of the social welfare legislation, should have to go through a formal process of trial with the procedure for recording evidence. That would be a futile process, because it is obvious that a bonded labourer can not be expected to stand up to the rigidity and formalism of the legal process due to illiteracy and economic backwardness. Therefore, whenever it is shown that a labourer is made to render forced labour, the Government should presume that he is required to do so in consideration of an advance or other economic benefits received by him and he is therefore a bonded labourer.

(ii) Credit facilities:

It has been observed that the bonded labourers who generally belong to the landless sections of rural section even after release from debt bondage, often turn up to the money lenders of the village for loan. The labourer needs loan for various purposes ranging from daily necessities to purchase of seeds and social ceremonies like son's/daughter's marriage. There is, therefore, the need to ensure facilities of credit to the freed bonded labourers so that they do not slide back into debt bondage. Absence of assured means of livelihoods, enforces them to sell away the rehabilitation assistance like the bullock and other inputs; and this may ultimately nullify the objective of rehabilitation. Therefore, to minimise the indebtedness and worsening conditions, financial institutions should be set up to cater to the consumption as well as production needs of the poverty-stricken people of the area under survey. If rural credit is properly planned and its distribution effectively supervised it can enable the freed labour to acquire income generating assets, increase his productive capacity and create employment for larger number of man-days in a year. Before the sanction of the loans, the concerned financial institution should therefore, examine the purpose of the loan applied for. The financial institutions should create expertises cells and work in collaboration with concerned technical institutions to guide the rural people

in proper utilisation of loans advanced. There is also the need for co-ordination and co-operation between these financial institutions and government development agencies so as to avoid the concentration of credits in a few pockets or areas. For better management and distribution of credit an organisational innovation of an integrated institutional credit system is the imperative need.

(iii) Land Development and Land Reforms:

A freed bonded labour who has already got some agricultural land or has been newly allotted a small plot of land can not become a viable cultivator without a comprehensive programme for land development like quicker provision of irrigation facilities and other inputs at subsidised rates. Only 13 percent of cultivated lands in Phulbani get irrigation facilities as against the state average of 26 percent. Obviously the agricultural productivity in the district is exclusively dependent on uncertain monsoon and rainfall.

Though the activities of the money-lenders are regulated and debts may be conciliated but they may reappear so long as comprehensive agricultural reforms are not made.

In the State of Orissa, Orissa Land Reforms Act, 1973 has been passed to impose ceiling on land and to distribute surplus lands among the landless cultivators.

The cultivable agricultural lands have been classified into four types. The best type of land is known as A grade land which has assured irrigation facilities throughout the year and can raise double cropping and paddy in a year. In the district of Phulbani, there is no 'A' grade land as revealed from official sources. Those lands which are having irrigation source maintained, developed and financed by Government, leading to one crop in a year is classified as 'B' grade land. If paddy has been grown at least once within three years since the commencement of the Orissa Land Reforms Act (Amendment), 1973 and are dependent upon rain water are classified as 'C' grade land. Any other land, except these three classes, are known as 'D' grade land. The Orissa Land Reforms Act limits the size of land holding and ceiling limits has been fixed to collect the surplus land. As specified in the Act, a family consisting of five members can hold maximum 10 acres of 'A' grade land or 15 acres of 'B' grade land or 30 acres of 'C' grade land or 45 acres of 'D' grade land, and the land excess to this limit is treated as surplus land. The distribution of ceiling surplus land among the landless families has been made in Phulbani district since 1980, as revealed from the District Rural Development Agency (DRDA) official source. The distribution of ceiling surplus land has a number of lacunae. The process of distribution

is delayed because of disputes and problems of peaceful possession. The distributed lands are scattered, uneconomic and not viable for any productive use. It would be better, if the surplus lands are granted to and controlled and managed by Zamindari landowners for an economic and viable use of land resources. The released bonded labourers should be given employment on priority basis on such lands managed by 'Zamindari landowners'. The yield from ceiling surplus land, as cultivated and managed by Zamindari landowners, can be utilised for promoting the welfare of released bonded labourers and weaker sections of the society. Thus, effective implementation of land reforms would reduce inequality, increase rate of growth of output and create employment opportunities in agriculture.

(iv) Provision of house site and housing loan:

Majority of bonded labourers belong to the category of landless agricultural labourers. Therefore, the important aspect of physical rehabilitation of freed bonded labourers is, removal of their landlessness. This enables to have access to other production units and also improves their social status in the rural community. For the purpose of allotment of house-site and agricultural land, three categories of land can be considered like surplus land, government land (including forest land) and private land. Next to allotment of house-site and

agricultural land, provision of low-cost dwelling units is yet another essential component of rehabilitation. The programme of construction of low-cost dwelling units should be based on local designs, local material and local skills. Such a programme can be undertaken by the State Government which may extend housing subsidy, the agencies executing the works under the National Rural Employment Programme (NREP) and the freed bonded labourers contributing their own labour for constructing their own houses. While allotting a house-site on a plot of agricultural land, care should be taken to see that segregation and isolation are avoided. Again, all freed bonded labourers should be rehabilitated at a place in such a way that different communities are interspersed with each other and true integration among different communities is possible.

v) Horticulture:

This has a special relevance for the freed bonded labourers to be rehabilitated particularly in the tribal areas of Orissa. In such areas where the land is extensive and undulating with high incidence of soil erosion, an extensive programme of plantation of fruit trees can be profitably undertaken which besides checking soil erosion can be a source of income for the freed bonded labourers and his family. In Orissa, plantation in hill areas has been found to be one of the answers to the age old problem

of shifting cultivation (popularly known as 'rodu'). Side by side, kitchen orchards of pine-apples and cashew plantations on a small scale can also be encouraged by the State Horticulture Department for every bonded labourer household having a minimum house-site of 10 cents of land. Cashew plantation in the hilly tracts of the district can be a source of income and employment for the poor labourers. It can also be suitably promoted in the hilly tracts with relatively lower annual rainfall.

vi) Animal husbandary and fodder cultivation:

In view of several constraints which adversely affect productivity of land and reduce agriculture to the status of a subsistence economic activity (specially in the district of Chulpani with hill and drought prone areas with undeveloped land scape) some other subsidiary activities will have to be evolved, which can provide the freed bonded labourers with alternative sources of livelihood. The one which throws open the maximum opportunity and possibility in this regard is the animal husbandary sector, such as provision of milch animals like cows and buffaloes, sheep, goat, piggery and poultry. The animal husbandry programme has a special significance for the freed bonded labourers belonging to the scheduled caste and scheduled tribe. There is also ample scope for bringing about an integration

between different rural development agencies like the National Rural Employment Programme (NREP) and Integrated Rural Development Programme (IRDP) with the objectives of uplifting the rural poor.

The importance of growing fodder for a group of freed bonded labourers who have been supplied with milch animals is imperative. Development of pastures with improved grasses will cater to the fodder needs of the tribals. By allotting Government land to a group of freed bonded labourers fodder cultivation programme can be profitably undertaken.

vii) Rural Industrialisation:

Despite the existence of immense natural resources such as minerals, forests, water and manpower, Orissa continues to lag behind the major States in the field of industrial growth. Whatever little industrial development has taken place in Orissa, is confined mostly to the districts of Sundergarh, Sambalpur, Koraput and Cuttack.¹ Particularly in Phulbani district about 80 percent of the workers are cultivators and agricultural labourers. Less than 2 percent of the working force depend upon cottage, household and other small industries in Tururibandh and Kotgarh block. In the district level, less than 7.5 percent

1. Mahapatra, J.K., *Fractional Politics in India*, Chugh Publications, Allahabad, 1985.

depend upon cottage, household and small industries. Lack of non-agricultural occupation in rural areas is responsible for the low wages and poor economic conditions of the cultivators (see Table 4.7). In order to create non-agricultural employment and change the industrial landscape of Jhulbani district; proper incentives need be provided for the promotion of agro-forestry industry like bamboo works, rope making, bee-keeping, carpentry, broom-making etc. and the benefits much accrue to the released bonded labourers. The sal, karanj which are now being sent out of ~~the~~ Jhulbani district, can very well be converted to oil by setting up of gharies in these areas where freed bonded labourers can be employed. Power supply may be extended for speedier and efficient production. The traditional craftsmen and artisans in the tribal pockets should be identified urgently and specific-based programmes should be prepared for these groups.

viii) Development of Transport:

Railways play an important role in opening a backward area and adding values to its dormant resources. Unfortunately, the district of Jhulbani is entirely out of the railway map of the country. There is hardly any scope for internal navigation too. Although roadways serve as the only suitable mode of transport in the district, it still

remains inadequate and ill-maintained. Out of the total length of 7,190 Kms of surfaced roads, only one-tenth is metallic. Out of 4,397 inhabited villages only 987 are linked by all weather roads. Due to lack of adequate road communication, major part of the tribal areas remain inaccessible and isolated (see Table 4.4 and 4.5). The basic road network in the tribal areas should be established after identifying the missing links and crossings which should be taken up on a high priority basis in the concerned central and state level programmes. It is suggested that all administrative headquarters up to the block level should be connected on a priority basis in the next couple of years. In the tribal and backward areas of Jhullani, crossings of various types of roads, from foot-path and mule-tracks on the one extreme to district and state roads on the other; should be given highest emphasis for improving accessibility throughout the year. All-weather road links should be established with headquarters of large-size multipurpose societies or weekly markets, so that they become accessible throughout the year. The above network may be extended to reach the sub-health centres. Further, the state Government may work out the financial outlays needed for executing the road plan of the backward tribal areas of Jhullani.

The overall economic development of the tribal belt therefore needs the expansion of infrastructural facilities especially that of transport and communication. Because it would not only provide gainful employment to the released bonded labourers but also break the isolation, enlarge the extent of market and help the exploitation of natural resources.

(ix) Marketing and Storage:

A research study conducted by the Department of Applied and Analytical Economics, Utkal University reveals that the 'bonded trade' practice in turmeric production in Phulbani district has deprived a large number of tribals their legitimate dues resulting in low productivity and exploitation.¹ Because of heavy indebtedness to the money-lenders the tribals fail to cover their cost of production. The practice forces them to borrow money and the crops of small and marginal farmers are committed to the money lenders long before the turmeric is harvested. The study pointed out that the Large Area Multi-Purpose Co-operative Societies (LAMPS) are indifferent towards providing marketing support which deprives the tribals from having any access to the market at the State level and receiving a remunerative price for their product.²

• Study conducted by Prof.S.C.Patnaik & Dr.Dibakar Nayak of the Department of Applied & Analytical Economics, Utkal University.

2. The Economic Times, June 29, 1987, p.4.

It is therefore necessary that the number of marketing co-operatives need be increased and if possible special co-operative institutions need be established in the blocks under survey in order to facilitate the marketing of tribal products and promote the storage of surplus products. Because, marketing of the minor forest produce and storage of surplus agricultural produce constitutes a significant component of economic development of tribals. If the tribals fail to receive a fair and remunerative return for their products and if the exploitive elements still survive, mere increase of financial resources for tribal welfare plan may not enable them to receive the fruits of their labour. In the district of Phulbani, the local inhabitants being not quite enterprising, the overall trade and commerce of the district is managed by the businessmen from the neighbouring district. Almost all articles of daily consumption like rice, wheat, salt, kerosine, textiles and other daily needs are imported into the district. The main export items of Phulbani are hill brooms, leaf plates, ropes, vegetables and other minor forest produce. It has been observed that the Government marketing agencies and the co-operatives have been able to procure only about 10 percent of the total market arrivals of minor forest produce and surplus agricultural products. It is also found that there has been very wide and erratic fluctuations in collection of tribal products by Government agencies.

An evaluative study conducted by the Department of Economics, Berhampur University on the operation of Drought Prone Area Programme (DPAP), Phulbani reveals that even though the role of co-operative movement in meeting the rural finance in Phulbani has substantially increased, a large number of such units have become defunct due to arrear loans and heavy establishment cost. It is, therefore, desirable that the tribal co-operative societies may be provided adequate credit for marketing finance by the Central Co-operative Banks and the Reserve Bank of India at a concessional rate of interest. In this connection it is to be noted that the State participation in the shape of contribution to the share capital of the co-operative movement in Orissa is less vigorous than that of the advanced states of India.

The role of co-operative movement as an instrument of uplifting the status of poor is beyond doubt. Phulbani has a vast scope for the massive organisation of the co-operative movement as the vast masses of people are in the clutches of usurious money-lenders and some of them have turned bonded labourers unless an institutional arrangement is made to enable the released bonded labour to obtain the best price for their meagre produce, their poverty is to continue unabated despite the measures to fight it out. Hence a co-operative marketing network need to

be set up particularly in the areas where such labourers have been rehabilitated. These marketing societies would not only arrange for better prices for their produce, but also provide essential supplies and inputs at reasonable prices. Thus the labourers can be saved from the exploitation of the businessmen. The tribal co-operative societies already in operation in the region need to be strengthened further. The credit co-operatives by advancing facile loans to the needy labourers at reasonable prices can also help them to emancipate from the exploitation of the middle-men and money-lenders. But care should be taken to see that the co-operative societies that are conceived for the benefit of the weaker sections of the society is not monopolised by the richer sections. It is further suggested that, there should be special regulations for weekly markets in the tribal areas so as to give effective control of the management of these markets to the community in its catchment. The traders are spread over the entire tribal area and pursue any profitable activity. They are outside the ambit of any regulation in these far-off areas and operate without any fear of law. While regulation of markets will help in bringing their operations in villages are also subjected to some discipline. They may be required to take a licence for trading and their establishments may be subjected to regular inspection. Further, the National Co-operative

Development Corporation should provide guidance to the co-operative movement in the tribal areas in all its aspects.

x) Rural Development Programmes:

It has been observed by Kurein that "the development process of the past has generated growth and affluence for the few and poverty and insecurity for the many".³ This view of Kurein has been supported by K.N.Raj who states with clarity that inequality in the distribution of income and wealth is greater now than they were at the beginning of the plan period. P.C.Mahalonobis who made a study on the distribution of national wealth during the early sixties also arrived at the similar conclusions that is, the existence of concentration of landed assets in the rural sector in the hands of a few affluent farmers. Not only between the rich and poor sections of society, income disparity is also getting wider between different regions despite the emphasis on balanced region development since the Third Plan.⁴ People falling below poverty line was as high as 68 percent for Orissa in 1985-86 as against 22 percent for Punjab and 33 percent for Haryans. This position of Orissa was attributable to her predominantly tribal population. The

3. Kurein, C.T., Dynamics of Rural Transformation- A Study of Tamil Nadu: 1950-1975, Orient Longmans Ltd., 1981.

4. Patnaik, Vivekananda, The Challenge of Poverty in India, Vivekananda Kendra, Madras-5.

Constitution of India, as noted earlier, provides clearcut directives to the State to prevent concentration of national wealth and reduce socio-economic exploitation. A bold step that was taken for the promotion of social justice in 1969, that is, the nationalisation of commercial banks which are now directed to advance liberal credit to the poverty stricken people. The target oriented development programmes which were modestly started during the Fourth Plan took a concrete shape with the introduction of Sarbajit Natak and 20-point programmes as initiated by Smt. Indira Gandhi. The development of backward regions and backward population has been one of the abiding concerns of the successive Five-Year Plans particularly since the Fourth Plan. But it has been realised that the benefits of these development programmes have been enjoyed by those who are better placed in terms of land resources. Some of these target-oriented programmes which have greater relevance to the needs of Kshudhanti suffer from short-coming which need early rectification so that the benefit of the programme would go direct to the target population.

IRDP- In fact, the Integrated Rural Development Programme (IRDP) aimed at providing employment to the unemployed and underemployed, suffered from serious defects as follows:

- (a) An individual was regarded as the unit of assistance instead of a family as originally conceived.

(b) Adoption of a uniform programme throughout the country without considering the level of infrastructural development and incidence of poverty and uniform procedure for allocation of funds block-wise without any concern over the regional imbalance and incidence of poverty.⁵

The IRD programme which was the strategy of the Sixth Plan for rural development aimed at the income development of the vulnerable sections including the released labour. The tertiary sector of the IRDP aims at creating facilities for marketing and allied activities so as to absorb the rural labour force. Luckily, in 2nd October, 1980 this programme has been extended to all the development blocks of the district of Dhuleani for benefitting the target group below poverty line.

The procedure of implementation of the IRD programme is considered as a time consuming process. The applications for assistance under this scheme are scrutinised at various stages from Block Development Officer (B.D.O) to District Rural Development Agency (DRDA) and finally at the stage of the institutions that finances the target population. The fruits of IRD programme can reach the target population if the agricultural labourers are made conscious

5. Rao, K.S., Regional Variation in Impact of Anti-poverty Programme- A Review of Evidence. Economic and Political Weekly, October 26, 1985.

of its benefits and if efforts are made to organise the beneficiaries in clusters.⁶

The National Rural Employment Programme (NREP) is another rural development agency that operates in Phulbani with the main objective of creating employment opportunities for those who belong to the category of under employment and seasonal unemployment. In other words, it can provide supplementary employment opportunities to the landless labourers particularly during the lean periods. It would be better for the labourers in the tribal belt if the contractors are totally excluded from the execution of NRE programme. In Phulbani, the implementing agency should give greater priority to works like social forestry, pasture development, water and soil conservation, irrigation, construction and improvement of village ponds, dispensaries, schools, roads and communications. In order to ensure that benefits of this programme reach the weaker sections of the society, at least 10 percent of the allocation is earmarked for programmes meant exclusively for the scheduled tribes and castes. Similar provision should be made for such programmes meant also for agricultural labourers.

6. Parthasarathy, G., Reorientation of Rural Development Programme- A Note on some basic issues. Economic and Political Weekly, November 30, 1985.

Another rural development agency which is operating in Phulbani and whose programmes are supplementary to those of NREP is the Rural Landless Employment Guarantee Programme (RLEGP). This programme is intended to provide guarantee of employment at least one member of every landless labour household upto 100 days in a year. It also covers investment on labour intensive projects like irrigation, social forestry and development of hill areas.

ERRP- The Economic Rehabilitation of Rural Poor (ERRP) programme which is also in operation in Phulbani selects ten poorest families possessing no income producing assets and earning less than Rs.1200 per annum in each village. After identifying such families the programme provides them with such of the income yielding asset that each family can derive a steady annual income of Rs.3000/-.

The district of Phulbani, as shown earlier, is predominantly tribal, and it is admitted that the tribal people have failed to take benefits from the development works carried out under different plans. This has resulted in disparity in income distribution and hence economic exploitation. In the Fifth Plan for the first time the development programmes exclusively for the scheduled tribes were chalked out, and 130 Integrated Tribal Development Projects (ITDP) were introduced for operational purposes.

During this plan, it was observed that the contribution of the financial agencies in the tribal belts has been insufficient in relation to the expanding needs. It is therefore felt necessary that the tribal sub-plans should make full use of the other financial sources, like the State Plans, investment sponsored by Central ministries and special central assistance.

Need for Hill Area Development Projects (HADP):

The Hill Area Development Projects (HADP) which aims at the development of resources of the hilly regions have so far been restricted to certain hilly districts of Assam, Uttar Pradesh and West Bengal. Such projects should be extended to the hilly district of Phulbani. The root cause of backwardness of Phulbani is the uneven dispersal of its resources and the high cost of infrastructural development. The HADP therefore aims at greater horizontal integration of different rural development agencies also. The freed bonded labourers which have no economic assets and have become old and disabled members can be covered under such programme.

The rural development programmes as described above, have been criticised for their complex pattern of administration. The Government departments that advise the

people of Khabani are multiple in number and they have also created certain amount of confusion among the illiterate population. Certain programmes have limited applicability due to inadequate supply of food grains. The employment provision are said not to have been planned in keeping with the development needs of Khabani so as to make use of local skill and resources. The corrupt practices of officials and executive contractors are also said to be another serious handicap.

Hence although the programmes of some of the schemes are quite laudable, the implementation of the programmes is said to be tardy.⁷ If the lacunae in the implementation of such programmes is minimised, their benefits can be ensured to the bonded labourers, released and rehabilitated.

(xi) Education:

The spread of basic education among the weaker sections and freed bonded labourers occupies a significant place in any development strategy that seeks to achieve social justice. Otherwise, sectoral imbalances and injustice would continue building disintegrative tensions. Unfortunately,

7. Bharadwaj, Krishna, Approach to Seventh Plan- A Preliminary Comment. Economic Times, 12-13 December 1984.

the level of tribal literacy is very poor and the rate of drop-outs is very high.

The new education policy in India, in a bid to promote linkage between education and economic development, rightly recognizes the need for the promotion of non-formal education especially for the backward regions and backward communities. Removal of illiteracy being the primary requirement of the bonded labourer spread of non-formal education would be considered as quite appropriate for meeting the educational needs of Phulbani. Universalisation of elementary education has to be ensured through providing a package of services and innovation in organisation and institutions. The school timings, as also vacations, should be fixed in far-off tribal areas with reference to local conditions which may be at variance with the timings and vacations in the State. Non-formal and adult-education should be planned as complementary to formal education. The non-formal primary education can create a social demand for education both for men and women. It should aim at studying the community's problems of health, application of science and technology, occupational growth and so on. In the backward tribal area of Phulbani, strong back-up support by way of resource development, teacher training, supervision, community mobilisation appears essential. An active drive is also

needed in Phulbani for the increase of enrolment in primary school to check the increasing drop-outs.

(xii) Role of Voluntary agencies:

In order to make the process of identification, release and rehabilitation more effective voluntary agencies should be asked to get themselves associated with the programme. The task of alleviating the millions of rural poor can be better achieved by actively associating voluntary agencies in development programme. Voluntary agencies can be distinctly more effective in mobilising local resources, articulating people's needs and co-ordinating developmental tasks undertaken by the people. There is need for exogenous forces in the form of service-oriented voluntary organisation in view of the scattered nature of the poverty-stricken people, their lack of mental preparedness and strength to stand up against injustices. The voluntary agencies could play a useful and crucial role in the identification of beneficiaries for different socio-economic, social welfare, and social service programmes such as IRD, LMRP, Old-age pension, social forestry, adult education and eradication of social evils like untouchability and dowry system. The voluntary agencies, thus, not only help in accelerating the pace of identification of bonded labourers, but also in

breaking up of the vicious circle of isolation, backwardness and illiteracy by removing blind-faith prevailing among the tribals through the dimensional activities of education, cultural programmes and mass consciousness.

To attack the cause of such catastrophe of bonded labourers, organisation of rural poor and removal of vested interest at socio-political level ^{are} is ^{are} the imperative need. Therefore, it is also suggested that the poor themselves must be mobilised against the vested groups and exploitations, with the help of the voluntary agencies.

It emerges from our study that bonded labour represents the extremes of poverty and backwardness among the category of landless agricultural labourers. The basic approach behind any rehabilitation effort should, however, be need-based and development-oriented. In other words, viability of a particular scheme from the point of view of the special needs of the freed bonded labourers must be examined and ensured. The rehabilitation programme must meet the total requirements of the bonded labour families to enable them to cross the poverty line and to prevent them from sliding back to debt bondage.